

COUNTY OF ROCKLAND

State of New York



Comprehensive Annual Financial Report

Year Ended
December 31, 2018

COUNTY OF ROCKLAND

State of New York



Comprehensive Annual Financial Report Year Ended December 31, 2018

*Edwin J. Day
County Executive*

*Stephen F. DeGroat, CPA
Commissioner of Finance & Budget Director*

*Steven J. Grogan, MPA, MS
Deputy Budget Director*

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION:	
Principal Officials	i
Organization Chart.....	ii
Letter of Transmittal.....	iii-xiii
Certificate of Achievement for Excellence in Financial Reporting.....	xiv
FINANCIAL SECTION:	
Independent Auditors' Report.....	1-3
Management's Discussion and Analysis (Unaudited).....	4-16
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position.....	17
Statement of Activities	18-19
Governmental Funds Financial Statements:	
Balance Sheet – Governmental Funds.....	20-21
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.....	22
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	23
Reconciliation of the Statement of Revenues, Expenditures and Changes Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Fund	25
Proprietary Funds Financial Statements:	
Statement of Net Position.....	26
Statement of Revenues, Expenses and Changes in Net Position	27
Statement of Cash Flows	28
Statement of Assets and Liabilities – Fiduciary Fund	29

COUNTY OF ROCKLAND, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Statement of Net Position – Component Units	30
Statement of Activities – Component Units	31-32
Notes to Financial Statements	33-88
Required Supplementary Information (Unaudited):	
Required Supplementary Information – Schedule of Changes in Total OPEB Liability and Related Ratios – County – Last Ten Fiscal Years	89
Required Supplementary Information – Schedule of Changes in Total OPEB Liability and Related Ratios – College (Component Unit) – Last Ten Fiscal Years	90
Required Supplementary Information – Schedule of Changes in Total OPEB Liability and Related Ratios – Authority (Component Unit) – Last Ten Fiscal Years	91
New York State and Local Employees' Retirement System:	
Schedule of Contributions.....	92
Schedule of the County's Proportionate Share of the Net Pension Liability	93
New York State Teacher's Retirement System	
Schedule of Contributions.....	94
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)	95
Supplementary Information – Combining and Individual Fund Financial Statements and Schedules:	
Major Governmental Funds	
General Fund	
Comparative Balance Sheets	96
Comparative Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	97-98
Schedule of Revenues and Other Financing Sources Compared to Budget	99-101
Schedule of Expenditures and Other Financing Uses Compared to Budget	102-104
Capital Projects Fund	
Comparative Balance Sheets	105
Comparative Schedules of Revenues, Expenditures and Changes in Fund Balance	106
Non-Major Governmental Funds	
Combining Balance Sheet – Non-Major Governmental Funds.....	107
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds	108
Special Revenue Funds	
Combining Balance Sheet – Non-Major Special Revenue Funds	109-110
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances Non-Major Special Revenue Funds.....	111-112
County Road Fund	
Comparative Balance Sheets.....	113
Comparative Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	114-115

COUNTY OF ROCKLAND, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2018

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Road Machinery Fund	
Comparative Balance Sheets	116
Comparative Schedules of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	117-118
Community Development Fund	
Comparative Balance Sheets	119
Comparative Schedules of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	120-121
Sewer District Fund	
Comparative Balance Sheets	122
Comparative Schedules of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	123-124
Special Purpose Fund	
Comparative Balance Sheets	125
Comparative Schedules of Revenues, Expenditures and Changes in Fund Balance	126
Debt Service Fund	
Comparative Balance Sheets	127
Comparative Schedules of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	128-129
 Proprietary Funds	
Enterprise Funds	
Rockland Tobacco Asset Securitization Corporation	
Comparative Statements of Net Position	130
Comparative Statements of Revenues, Expenses and Changes in Net Position	131
Comparative Statements of Cash Flows	132
Rockland Second Tobacco Asset Securitization Corporation	
Comparative Statements of Net Position	133
Comparative Statements of Revenues, Expenses and Changes in Net Position	134
Comparative Statements of Cash Flows	135
Rockland County Health Facilities Corporation	
Comparative Statements of Net Position	136
Comparative Statements of Revenues, Expenses and Changes in Net Position	137
Comparative Statements of Cash Flows	138
Internal Service Funds	
Combining Statement of Net Position	139
Combining Statement of Revenues, Expenses and Changes in Net Position	140
Combining Statement of Cash Flows	141
Workers' Compensation Benefits Fund	
Comparative Statements of Net Position	142
Comparative Statements of Revenues, Expenses and Changes in Net Position	143
Comparative Statements of Cash Flows	144
General Services Fund	
Comparative Statements of Net Position	145
Comparative Statements of Revenues, Expenses and Changes in Net Position	146
Comparative Statements of Cash Flows	147
 Fiduciary Funds – Agency Fund – Statement of Changes in Assets and Liabilities	148

COUNTY OF ROCKLAND, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2018

TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION (UNAUDITED):

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the County's overall financial health.

Financial Trends

Net Position by Component – Last Ten Fiscal Years.....	149-150
Changes in Net Position – Last Ten Fiscal Years.....	151-154
Fund Balances – Governmental Funds – Last Ten Fiscal Years.....	155-156
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years.....	157-158

Revenue Capacity

Tax Revenues by Source – Governmental Funds – Last Ten Fiscal Years.....	159
Sales Tax Rates – Last Ten Fiscal Years.....	160-161
Taxable Sales by Industry – Ten Years Stated.....	162-163
Assessed Value and Estimated Actual Value of Taxable Property Per \$1,000 of Assessed Valuation – Last Ten Fiscal Years.....	164-165
County Property Tax Rates by Town per \$1,000 of Assessed Valuation – Last Ten Fiscal Years.....	166
Principal Taxpayers – Current Year and Nine Years Ago.....	167
Property Tax Levies and Collections – Last Ten Fiscal Years.....	168-169

Debt Capacity

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	170-171
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years.....	172
Direct and Underlying Governmental Activities Debt.....	173
Legal Debt Margin Information – Last Ten Fiscal Years.....	174-175

Demographic and Economic Information

Demographic and Economic Statistics – Last Ten Fiscal Years.....	176
--	-----

Operating Information

Principal Employers – Current Year and Nine Years Ago.....	177
Full-Time Equivalent County Government Employees by Function – Last Ten Fiscal Years.....	178
Operating Indicators by Function – Last Ten Fiscal Years.....	179-180
Capital Assets Statistics by Function – Last Ten Fiscal Years.....	181-182

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**INTRODUCTORY
SECTION**



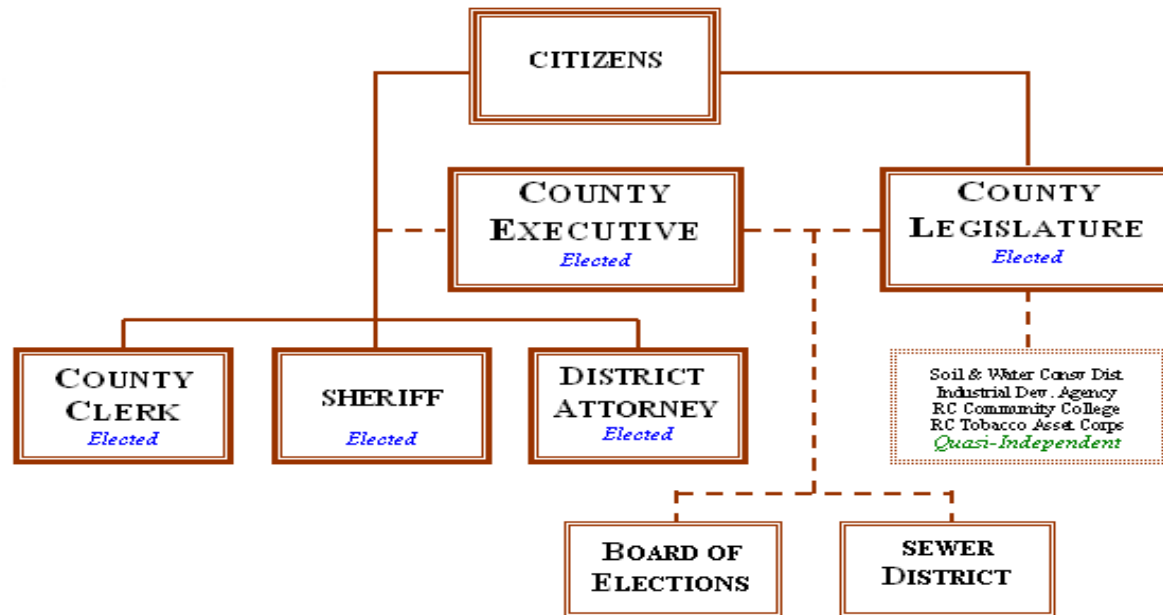
Rockland County Legislature

District 1	Hon.	Douglas J. Jobson
District 2	Hon.	Michael M. Grant
District 3	Hon.	Jay Hood, Jr.
District 4	Hon.	Itamar Yeger
District 5	Hon.	Lon M. Hofstein
District 6	Hon.	Alden H. Wolfe
District 7	Hon.	Philip Soskin
District 8	Hon.	Toney L. Earl
District 9	Hon.	Christopher J. Carey
District 10	Hon.	Harriet D. Cornell
District 11	Hon.	Laurie Santulli
District 12	Hon.	Charles J. Falciglia
District 13	Hon.	Aron B. Wieder
District 14	Hon.	Aney Paul
District 15	Hon.	Patrick J. Moroney
District 16	Hon.	Vincent D. Tyer
District 17	Hon.	Nancy Low-Hogan

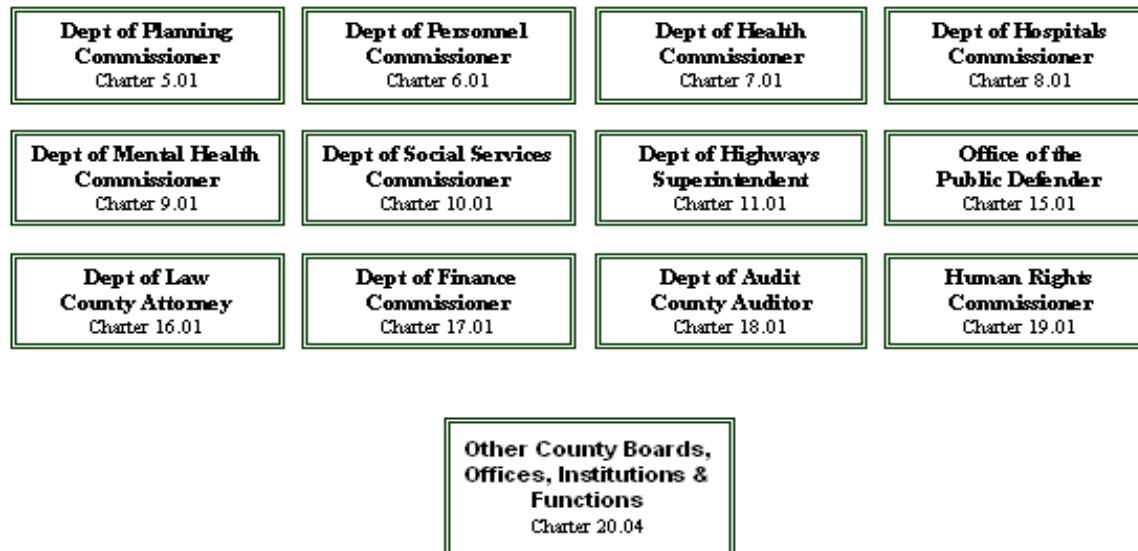
Legislative Leadership

Chairman	Toney L. Earl
Vice Chairwoman	Nancy Low-Hogan
Majority Leader	Aney Paul
Deputy Majority Leader	Alden H. Wolfe
Minority Leader	Lon M. Hofstein
Deputy Minority Leader	Vincent D. Tyer

Organization of Rockland County Government



ALL OTHER CHARTERED DEPARTMENTS





COUNTY OF ROCKLAND
DEPARTMENTS OF FINANCE AND BUDGET

50 Sanatorium Road BLDG A
Pomona, New York 10970
(845) 364-3870
Fax (845) 364-3869 OR 364-3834

EDWIN J. DAY
County Executive

STEPHEN F. DeGROAT, CPA
Commissioner of Finance
Budget Director

STEVEN J. GROGAN
Deputy Budget Director

July 31, 2019

To the Honorable County Executive
and the County Legislature of the County of Rockland, New York:

The Comprehensive Annual Financial Report ("CAFR") for the County of Rockland, New York for the fiscal year ended December 31, 2018 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

This report consists of management's representations concerning the finances of the County of Rockland. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed to both protect the County's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will

be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Marks Paneth LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County of Rockland's basic financial statements for the fiscal year ended December 31, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2018 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A").

This letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the County's separately issued Single Audit Report.

PROFILE OF THE COUNTY

The County was organized in 1798 and has a land area of 176 square miles. The County is approximately 33 miles northwest of Manhattan and is bordered by Orange County to the north

and west, Bergen County, New Jersey to the south and the Hudson River to the east. Within the County are 5 towns and 19 incorporated villages.

The County is one of the suburban counties located within the New York Metropolitan Area and is primarily residential in character. Southern portions of the County are in close proximity to the New York State Thruway and are well developed and heavily populated. Approximately 83% of the County's population resides in this area. Northern sections of the County are more rural due in part to the extensive system of parks located in this part of the County.

PROFILE OF GOVERNMENT

Pursuant to the provisions of Local Law 14 of 1984, the County adopted a charter form of government in accordance with the provisions of the Municipal Home Rule Law of the State. The charter provides for separate and independent executive and legislative functions. A County Executive was elected in November 1985 and took office on January 31, 1986, when the provisions of Local Law 14 became effective. The County Executive is elected from the County at large for a term of four years with the right of unlimited self-succession. The County Executive must reside in the County for a minimum of five years before his/her election and may not concurrently hold another public office. The County Executive is the chief executive officer responsible for the administration of all County affairs and also acts as the County's Budget Officer. The County Executive is required to consider all acts of the County Legislature for approval or disapproval.

The County Legislature is the legislative, appropriating and policy determining body of the County. It consists of 17 members elected from single member districts located within the County. Members are elected to serve an unlimited number of four-year terms and each legislator has one vote instead of a weighted vote. Duties of the Legislature include; review and adoption of the County's annual budget, approval of budgetary modifications during the year and authorization by resolution for the issuance of debt by the County.

The Chief Fiscal Officer of the County is the Commissioner of Finance who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position include; collecting and disbursing County funds, investing such funds for temporary periods, issuing debt, maintaining accounting records and preparing financial statements therefrom.

The County provides a full range of services to its residents, including education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general administrative support. This report includes all of the funds of the County. It includes all County organizations and activities for which the County is financially accountable. The County has considered all potential component units based on criteria set forth in GASB Statement No. 14, including legal standing, fiscal dependency and financial accountability. Based on these criteria, the Rockland Community College, the Industrial Development Agency, the Soil and Water Conservation District and the Solid Waste Management Authority are considered component units and are included in the County's reporting entity as discrete presentations.

The County also maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the County Legislature. The administrative head of each department, on or before August 1, is required to submit to the County Executive the expenditure requirements for the ensuing fiscal year. The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 1. Subsequent to October 1, the Legislature conducts the necessary review of the tentative budget and proposes any changes thereto. The Legislature holds a public hearing on the budget prior to November 20, and after the public hearing, the Legislature may make changes to the budget. The budget is adopted no later than December 7. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established within individual funds at the function level.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

A major part of the County's labor force, over 50%, is employed in service-related industries. According to preliminary 3rd quarter 2018 data compiled by the State Labor Department, only 5.9% of the workforce is employed by companies engaged in manufacturing. Many residents

commute to jobs in New York City or Westchester County, which is connected to the County by the Gov. Mario M. Cuomo Bridge and U.S. Interstate 287/87. Approximately 13% of the County's labor force is classified as government related, a significant part of this group of employees works at the various State hospitals and institutions located in the County. Major non-governmental employers in the County include Pfizer Corporation, Orange and Rockland Utilities, Good Samaritan Hospital and Nyack Hospital.

Wealth levels for the County's residents are significantly above State and national averages. According to the Bureau of Economic Analysis, the estimated per capita personal income of County residents in 2017 was \$58,133. State and U.S. income averages reported on this basis were \$64,550 and \$51,640 respectively. According to the U.S. Census Bureau, the median household income for households in the County for 2017 was \$88,726, which was significantly greater than the median household income of \$64,894 for the State.

Hospital services are provided by Good Samaritan Hospital, Helen Hayes Hospital and Nyack Hospital which offer residents of the County a wide range of inpatient and outpatient services.

A network consisting of all the major forms of transportation serves the County. Several primary State and U.S. Highways including the New York State Thruway, Palisades Interstate Parkway, Garden State Parkway and U.S. Routes 9W and 17 run through the County. The Metro-North Commuter Railroad division of the New York Metropolitan Transportation Authority, in cooperation with New Jersey Transit, provides rail service to Manhattan via the PATH rapid transit. Freight service is provided by Conrail. NY Waterways, NY Water Taxi, Transport of Rockland, Coach USA and Monsey Trails provide bus and ferry passenger service to New York City and other points in and outside of the County. Air transportation is provided by the three New York Metropolitan Airports (Kennedy, LaGuardia and Newark), as well as Westchester County Airport and Stewart International Airport in Newburgh, New York.

Primary education is the responsibility of the nine independent public school districts located within the County. There are numerous colleges, universities and vocational schools located throughout the County as well. Rockland Community College offers two-year associate degree and one-year certificate programs. Dominican College, St. Thomas Aquinas College and Empire State College/SUNY are four-year liberal arts colleges. Iona College - Rockland Campus and Long Island University - Rockland Campus offer graduate programs.

The County has a wide array of recreational and cultural facilities highlighted by the Palisades Interstate Park System, the County Park System and the Community College. Over one-third of the Palisades Interstate Park System's 80,000 acres lie within the County and the parklands account for approximately 30% of the County's area. The Bear Mountain-Harriman State Park on the Hudson River, in the County's northeast corner, has 26,118 of its 51,026 acres in the County. Facilities include fishing, hiking, camping, swimming, picnicking, museum, playfield, winter sports and row boating. The County has 27 parks/open space, all of which have natural scenic areas, some affording panoramic views of the County. There are also over 20 private commercial swimming pools and lakes, and twelve golf courses, eight of which are open to the public. All of the towns and many of the villages have separate park facilities. In addition, there are numerous libraries, museums and marinas in the County.

In 2018, the County of Rockland generated an increase in total sales tax revenues of 5.1% from the previous year, bringing in \$208.6 million in general sales tax and \$10.4 million in residential energy sales tax. The main reason for this increase is due in part to a strengthening economy. The County's housing market remained stable in 2018, with mortgage tax revenues remaining constant from the previous year, bringing in \$5.2 million.

LONG TERM FINANCIAL PLANNING

Rockland County has a six-year plan for capital improvements and this plan is updated each year in the form of a Capital Program. As required by Article IV of the County Charter, the administration is required to submit an updated Capital Program to the legislature by October 1st of each year, and the Legislature is required to approve the plan on or before December 20th of each year. The Six-Year Capital Program is prepared by the Planning Department. The first year of the Six-Year Capital Program is represented by the Capital Budget. Projects are listed by function and include County Center, Fire Training Center, Public Transportation, Parks, Highway, Hospital, Planning, Drainage & Rockland Community College projects. The Capital Budget is prepared by the Department of Budget & Management and is separate from the Six-Year Capital Program.

The County's ongoing and future projects include the following:

- Continuation of Rockland County Highway Department's revolving road repaving, equipment replacement, and bridge/culvert repair and maintenance programs.
- Continue construction of new highway garage facility.
- Complete extension of the Sewer District's boundaries to include Hillburn, Sloatsburg and Western Ramapo. Additionally, the proposed new plant will provide advanced treatment to enhance the water supply in the Ramapo River basin, which is the sole source aquifer for the County's needs.
- Continue reconstruction of Forshay Road, from Viola Road to Willow Tree Road.
- Continuation of a West Shore Railroad Safety and Quiet Zone Project to be funded with an 80% Federal Grant.
- Improvements at Rockland Community College including campus-wide electrical upgrades, upgrades to the utility plant and fieldhouse\PE building upgrade.
- Continue phase II of relocation of County departments project.
- Continue construction of new Police Academy facility
- Continue renovation of Medical Examiners Office.
- Continue improvements to Haverstraw Bay Park.
- Continue improvements and restoration of the Cropsey Community Farm Barn.

OPERATIONAL PROCEDURES AND PRACTICES

Closure of Hospital Facility

The County Legislature has determined to end its financial support of the Hospital Facility. The initial plan to accomplish this goal was implemented on April 16, 2013 when the County Legislature passed Resolution #192-2013, which authorized the formation and organization of a local development corporation to be known as the Rockland County Health Facilities Corporation (the "Corporation") and the execution of lease and leaseback agreements between the County and the Corporation (the "Lease Agreements") providing for transfer to the Corporation of all of the County's right, title and interest in and to the County-owned 321 bed residential health care facility known as Summit Park Nursing Care Center (the "Skilled Nursing Facility"), constituting a portion of the Hospital Facility, by ninety-nine year lease, with option to take fee title, subject to the retained rights of the County to continue to operate such facility until such time as the Corporation terminates such reserved rights. The Corporation is governed by seven voting

directors, four of whom were appointed by the County Executive and three of whom were appointed by the County Legislature.

On August 6, 2013, the Board of Directors of the Corporation held their organizational meeting and approved the transfer of the Skilled Nursing Facility from the County to the Corporation through execution of the Lease Agreements and preparation and circulation of a Request for Proposals ("RFP") for private acquisition and operation of the Skilled Nursing Facility. The RFP was circulated, and four proposals were received. The Lease Agreements were finalized and executed as of November 1, 2013. By resolution adopted on December 30, 2013, the County Legislature authorized the transfer to the Corporation of the County's remaining interest in Building A at the County's office campus in Pomona, New York ("Building A") which houses the Skilled Nursing Facility and the County-owned, 100-bed long term acute care hospital ("LTACH"). Such transfer was made by ninety-nine year lease, with option to take fee title, subject to the retained rights of the County to continue to operate its remaining interest in Building A including the Skilled Nursing Facility and the LTACH, until such time as the Corporation terminates such reserved rights. At a meeting held March 14, 2014, the Board of Directors of the Corporation accepted such transfer and authorized execution of amendments to the Lease Agreements to include such remaining interest in Building A. The amendments to the Lease Agreements were finalized and executed on March 18, 2014.

The Corporation engaged in the procurement of a private purchaser and operator for the Skilled Nursing Facility and the LTACH, and in July 2014 approved a purchase and sale agreement by and among the Corporation, Summit Park Acquisition Group LLC and its related entities (collectively, "SPAG") as the purchaser of Building A, and operator of the Skilled Nursing Facility and the LTACH. The State Department of Health, by letter dated August 7, 2015 approved the Certificate of Need applications of the SPAG operating entity, subject to enumerated conditions, to operate the LTACH and the Skilled Nursing Facility. The purchase and sale agreement ("PSA") between the Corporation and SPAG provided for a Closing Date of December 31, 2014, subject to monthly extensions up to September 30, 2015 upon payment by SPAG to the Corporation of \$100,000 extension fees for each month. Pursuant to the PSA, SPAG has paid to the Corporation \$3,000,000 as a good faith deposit on the purchase price (of which \$150,000 is non-refundable) as well as nine monthly extension fees totaling \$900,000. The Corporation's payments, net of the non-refundable portion of the good faith deposit and totaling \$3,750,000 plus accrued interest, are being held in an escrow account in accordance with the terms of the PSA.

On September 29, 2015, SPAG notified the Corporation that it was exercising its right to terminate the PSA, and on September 30, 2015 the Corporation sent a Notice of Termination to SPAG stating that SPAG was in default under the PSA because it had intentionally failed to appear to close the sale transaction by September 30, 2015 in accordance with the terms of the PSA. Such Notice of Termination also stated that SPAG had an extension termination right which provided that such Notice of Termination became effective on October 31, 2015.

As a consequence of SPAG's September 29, 2015 delivery of its notice of termination of the PSA by the parties, on September 30, 2015, the County Executive announced a contingency plan to cease operations and close the Skilled Nursing Facility and LTACH facilities by the end of 2015. Such closure plan was approved by the State Department of Health and was implemented by the County. On November 3, 2015, the Corporation's final Notice of Termination was delivered to SPAG.

The County is in receipt of a Summons and Complaint from Shalom Braunstein, individually and as principal of the Plaintiff's Sympaticare LLC, Sympaticare Health LLC and SPAG filed in New York Supreme Court, Rockland County, Index No. 30759/2016. The suit is brought against the County, as operator and owner of the property and operation, and the Corporation, as the property possessor and the party who contracted with Plaintiffs for the transaction.

The claim arises from a dispute over the rights to keep or return the good faith deposit related to the now terminated sale of the Skilled Nursing Facility and LTACH. The claimants are the principal of the intended purchaser and related companies. The claim, sounding in contract, is for the return of approximately \$3.9 million in good faith deposit funds and approximately \$122,000 of miscellaneous contract damages and damages for other, unspecified claims that bring the total claims to \$5.87 million. The County has answered the suit and brought a counterclaim in the amount of approximately \$16 million. The County alleges that the Plaintiffs breached the contract in such a manner that the County is entitled to the \$3.9 million down payment and that the Plaintiffs misrepresented their ability to close the transaction, as they knew or should have known they would not be able to obtain the financing or the licenses and other State authorizations required to operate the facilities by the contractual date of closing, thus causing the County to expend about \$12 million in operating costs it could have avoided.

With respect to closing the facility, approximately \$5.7 million in compensated balances, such as sick time, holiday and vacation time for County employees whose positions will be abolished in

connection with the closure plan, were funded in the 2015 fiscal year. The County's 2016 Adopted Budget provides funding in the amount of approximately \$14 million for additional costs related to the closure plan for the Skilled Nursing Facility and the LTACH facilities including unemployment insurance, healthcare and other costs allocated to the Hospital Enterprise fund.

In 2018, any legacy costs incurred by the closure of the Hospital are now being appropriated in the County's General Fund.

AWARDS AND ACKNOWLEDGEMENTS

GFOA - Certificates of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association ("GFOA") of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Rockland, New York for its CAFR for the year ended December 31, 2017. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

GFOA also bestowed a Distinguished Budget Presentation Award to the County of Rockland for the 2006 through 2009 Budgets. In order to achieve this prestigious award, a budget document must meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Acknowledgements

I would like to thank all of the personnel in the Budget and Finance departments who have assisted in the preparation of this report, as well as our independent auditor who assisted in its preparation. Appreciation is also offered to the County Executive and the members of the County Legislature for their interest and support in the financial operation of the County.

Respectfully Submitted,

A handwritten signature in black ink, reading "Steph F DeGroat". The signature is written in a cursive style with a large, stylized 'S' and 'D'.

Stephen F. DeGroat, CPA
Commissioner of Finance/Budget Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Rockland
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

The Members of the County Legislature of
The County of Rockland, New York

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Rockland, New York (the "County"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

We did not audit the financial statements of certain component units of the County as disclosed in Note 2A, which represent approximately 1%, 14% and 1%, respectively, of the assets, net position and revenues of the government-wide financial statements and 100% of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for such component units, is based solely on the reports of the other auditors.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2H, the County has adopted the provisions of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules included under required supplementary information (unaudited) in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit for the year ended December 31, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2018 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2018.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the County as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated June 29, 2018 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2017 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2017.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2018 and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in dark ink, reading "Mark Paneth CPA". The signature is written in a cursive, flowing style.

New York, NY
July 31, 2019

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

Introduction

The County of Rockland's (the "County") management team offers the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

Key financial highlights for 2018 are as follows:

- The General Fund reported an ending balance of cash and cash equivalents of \$75,484,443, which represents an increase of \$36,789,048 from fiscal year 2017. This increase is the net result of the cash flows from operating activities; in effect, the net change in fund balance and changes in assets and liabilities. With the addition of: excess revenues over expenditures of \$19,548,673, and a decrease in prepaid expenditures of \$6,379,565, an increase in accrued liabilities in the amount of \$22,133,856 due to the payment of the New York State and Local Retirement System bill due on February 1, 2019.
- For 2018, the County's governmental funds reported combined ending fund balances of \$199,762,269, an increase of \$61,723,818 in comparison with the 2017 balance of \$138,038,451. The governmental funds increase is comprised of increases in the Capital Projects Fund of \$32,083,723, increases in the General Fund of \$19,548,673 and increases in the Non-major Governmental Funds of \$10,091,422.
- The General Fund's unrestricted fund balance (as defined by the NYS Office of the State Comptroller as the "total of assigned and unassigned fund balance classifications" as set forth by GASB Statement No. 54) was \$38,556,081 or 8.01% of the total General Fund expenditures for 2018.
- The liabilities and deferred inflows of resources of the primary government of the County exceeded assets and deferred outflows of resources at the close of the fiscal year by (\$577,751,873) (*net position deficit*), an increase of \$387,330,580 in comparison to (\$190,421,293) in 2017. An unrestricted net deficit of (\$993,719,686) exists, an increase of \$418,844,038 in comparison to (\$574,875,648) in 2017.
- The total net position of the County's Governmental Activities decreased by \$385,244,621 to (\$494,398,012) at December 31, 2018 from (\$109,153,391) at December 31, 2017.
- The County's total outstanding bonds payable at December 31, 2018 were \$508,098,000 an increase of \$12,185,121 from the prior year.

Overview of the Financial Statements

The County's financial statements are composed of this Management's Discussion and Analysis ("MD&A") and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the County's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements.

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

This report also includes other supplementary information as listed in the table of contents, along with the statistical tables.

Government-wide Financial Statements

The government-wide financial statements are presented in a manner similar to private sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: statement of net position and statement of activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The statement of net position presents information on all the County's assets and liabilities and deferred inflows/outflows of resources (when applicable), with the difference reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator as to whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. For example, uncollected taxes, other postemployment benefit obligations ("OPEB"), and net pension liabilities.

Both financial statements have separate sections for the two different types of activities. These two types of activities are:

Governmental Activities - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by taxes, charges for services, and operating grants and contributions.

Business-type Activities - These activities consist of the Rockland Tobacco Asset Securitization Corporation, the Rockland Second Tobacco Asset Securitization Corporation and the Rockland County Health Facilities Corporation. These activities are intended to recover all, or in part, a portion of their costs through user fees and charges.

COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018

The government-wide financial statements include the County itself (the primary government) and the Rockland County Community College, the Rockland County Soil and Water Conservation District, the Rockland County Solid Waste Management Authority and the Rockland County Industrial Development Agency, for which the County is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Most of the basic services provided by the County are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the spendable balances of these resources at the end of the fiscal year. This information is useful in determining the County's financing requirements for the subsequent fiscal period.

Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting. The focus of governmental funds is for the current period; therefore it is useful to compare this information to the data presented in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the County's current financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County has eight individual governmental funds: General, County Road, Road Machinery, Community Development, Sewer District, Special Purpose, Debt Service and Capital Projects funds. Of these, the General and Capital Projects funds are reported as major funds, and are presented in separate columns on the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. Data for the other six governmental funds are combined into a single, aggregated column of these statements. Individual fund data for these non-major funds can be found on the statements elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund, certain Special Revenue Funds and the Debt Service Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the respective budgets. The governmental fund financial statements can be found in the basic financial statements section of this report.

Proprietary Funds - These funds are used to show activities that operate similar to private business enterprises. Because these funds charge fees for services provided, they are known as Proprietary funds. Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Proprietary fund financial statements provide information for the Enterprise funds. In addition, the Internal Service funds are presented in the Proprietary fund financial statements. The Proprietary fund financial statements can be found in the basic financial statements section of this report.

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside of the County. The Fiduciary funds are not reflected in the government-wide financial statements because the assets of these funds are not available to support the activities of the County. The Fiduciary fund financial statements can be found in the basic financial statements section of this report.

Component Units - As discussed above, component units are legally separate entities for which the County is financially accountable. The component units enumerated above are reported in the aggregate in the government-wide financial statements. The combining statements can be found in the basic financial statements section of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the combining statements for the non-major governmental funds and proprietary funds, schedules of budget to actual comparisons, and the statistical tables.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$494,398,012 for as of December 31, 2018.

The following table reflects the condensed statement of net position:

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 420,347,081	\$ 335,699,742	\$ 13,244,223	\$ 14,177,160	\$ 433,591,304	\$ 349,876,902
Capital Assets	751,797,508	755,137,524	-	-	751,797,508	755,137,524
Total Assets	1,172,144,589	1,090,837,266	13,244,223	14,177,160	1,185,388,812	1,105,014,426
Deferred Outflows of Resources	52,243,753	47,983,945	-	-	52,243,753	47,983,945
Current Liabilities	203,656,945	181,887,184	4,460,163	4,578,108	208,117,108	186,465,292
Long-Term Liabilities	1,368,274,878	1,056,151,579	92,137,921	90,866,954	1,460,412,799	1,147,018,533
Total Liabilities	1,571,931,823	1,238,038,763	96,598,084	95,445,062	1,668,529,907	1,333,483,825
Deferred Inflows of Resources	146,854,531	9,935,839	-	-	146,854,531	9,935,839
Net Position:						
Net Investment in Capital Assets, Net of Related Debt	380,927,720	358,033,024	-	-	380,927,720	358,033,024
Restricted	35,040,093	26,421,331	-	-	35,040,093	26,421,331
Unrestricted	(910,365,825)	(493,607,746)	(83,353,861)	(81,267,902)	(993,719,686)	(574,875,648)
Total Net Position	\$ (494,398,012)	\$ (109,153,391)	\$ (83,353,861)	\$ (81,267,902)	\$ (577,751,873)	\$ (190,421,293)

COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018

The largest component of the County's net position is net investment in capital assets of \$380,927,720 which reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. Capital assets include: parkland, buildings, roads, bridges, sewer lines and treatment facilities, a hospital and the community college among other things. The County uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the County's 2018 net position of \$35,040,093 represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 3,468,611
Law Enforcement	2,957,361
Section 8	163,295
Debt Service	18,410,852
Special Revenue Funds	<u>10,039,974</u>
	<u>\$ 35,040,093</u>

The County's governmental activities had a net increase of \$8,618,762 in restricted net position compared to the prior year. The special revenue funds, which consists of Community Development, Sewer and Trusts, remained consistent with the prior year. The amounts restricted for debt service saw an increase of \$7,352,439 primarily due to a decrease of appropriation of reserves for bond payments.

The remaining net position, unrestricted net position, is a negative \$993,719,686, with a deficit of \$910,365,825 reported in governmental activities and a \$83,353,861 deficit reported for business-type activities. This deficit does not mean the County does not have the resources available to meet its obligations in the ensuing year. Rather, it is partly the result of having long-term commitments, including claims payable (\$27,578,904) and compensated absences (\$20,200,117) and OPEB obligations of (\$748,063,655) that are greater than currently available resources.

The County's change in total net position for governmental activities for 2018 was \$59,149,940, an increase of \$45,503,628 from 2017. The decrease in program expenses in the amount of \$22,753,512, offset by the increase in program and general revenues in the amount of \$22,770,106 in comparison to 2017, were the primary reasons for the overall increase.

Effective January 1, 2018, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"). As a result of the adoption of GASB 75, beginning net position for governmental activities was decreased by \$444,394,561.

The total decrease in net position for governmental activities, including the effect of the adoption of GASB 75, was \$385,244,621 for 2018.

COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018

A comparative analysis of the changes in net position follows:

Rockland County Changes in Net Position:						
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
REVENUE						
Program Revenues:						
Charges for Services	\$ 59,780,582	\$ 58,586,104	\$ 140,787	\$ 163,505	\$ 59,921,369	\$ 58,749,609
Operating Grants and Contributions	129,929,916	129,567,597	3,906,226	3,997,044	133,836,142	133,564,641
Capital Grants and Contributions	17,617,587	7,172,124	-	-	17,617,587	7,172,124
Total Program Revenue	207,328,085	195,325,825	4,047,013	4,160,549	211,375,098	199,486,374
General Revenues:						
Real Property Taxes	134,510,665	132,833,513	-	-	134,510,665	132,833,513
Other Tax Items	12,788,074	13,197,289	-	-	12,788,074	13,197,289
Non-Property Taxes	227,366,191	217,993,399	-	-	227,366,191	217,993,399
Unrestricted Use of Money & Property	3,501,833	1,704,694	-	-	3,501,833	1,704,694
Licenses and Permits	1,345,609	1,845,288	-	-	1,345,609	1,845,288
Fines and Forfeitures	1,198,829	1,563,842	-	-	1,198,829	1,563,842
Sale of Property & Compensation for Loss	211,390	92,893	-	-	211,390	92,893
Other Revenues	2,080,600	3,004,427	-	-	2,080,600	3,004,427
Total General Revenue	383,003,191	372,235,345	-	-	383,003,191	372,235,345
Total Revenue	590,331,276	567,561,170	4,047,013	4,160,549	594,378,289	571,721,719
PROGRAM EXPENSES						
General Government						
Support	83,288,088	89,872,406	-	-	83,288,088	89,872,406
Education	57,413,805	58,413,123	-	-	57,413,805	58,413,123
Public Safety	80,715,918	85,761,711	-	-	80,715,918	85,761,711
Health	50,628,463	50,459,489	-	-	50,628,463	50,459,489
Transportation	51,367,303	51,900,294	-	-	51,367,303	51,900,294
Economic Opportunity and Development	154,568,419	162,773,574	-	-	154,568,419	162,773,574
Culture and Recreation	480,638	752,071	-	-	480,638	752,071
Home and Community Services	37,292,654	37,263,161	-	-	37,292,654	37,263,161
Interest	15,426,058	16,719,029	-	-	15,426,058	16,719,029
Rockland Tobacco Assets Corporations	-	-	6,000,802	5,823,441	6,000,802	5,823,441
Rockland County Health Facilities Corporation	-	-	132,170	155,966	132,170	155,966
Total Expenses	531,181,346	553,914,858	6,132,972	5,979,407	537,314,318	559,894,265
(Decrease)/Increase in Net Position Before Transfers	59,149,930	13,646,312	(2,085,959)	(1,818,858)	57,063,971	11,827,454
Transfers	-	-	-	-	-	-
(Decrease)/Increase in Net Position	59,149,940	13,646,312	(2,085,959)	(1,818,858)	57,063,981	11,827,454
NET POSITION						
Beginning of Year, As Previously Stated	(109,153,391)					
Effect of Adoption of GASB Statement No. 75	(444,394,561)					
Beginning of Year, Restated	(553,547,952)	(122,799,703)	(81,267,902)	(79,449,044)	(634,815,854)	(202,248,747)
End of Year	\$ (494,398,012)	\$ (109,153,391)	\$ (83,353,861)	\$ (81,267,902)	\$ (577,751,873)	\$ (190,421,293)

Governmental Activities - For the year ended December 31, 2018, the revenues from governmental activities totaled \$590,331,276.

Tax revenues of \$375 million, comprised of real property taxes, sales and mortgage tax items and non-property taxes, increased by \$10.6 million from 2017 and represents the largest revenue source (63%). The 2018 budgeted property taxes increased by 1.3%, non-property taxes yielded \$227 million, an increase of \$9.4 million from 2017.

Collection of the current tax levy remains strong at 96.20%, while averaging 95.74% over the last five years.

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

Business-type Activities – Business-type activities decreased the County's net position by \$2.1 million for the year ended December 31, 2018. The reasons are discussed in the next section of this report.

Financial Analysis of the Government's Funds

As previously noted, the County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds – The focus of the County's governmental funds schedules is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

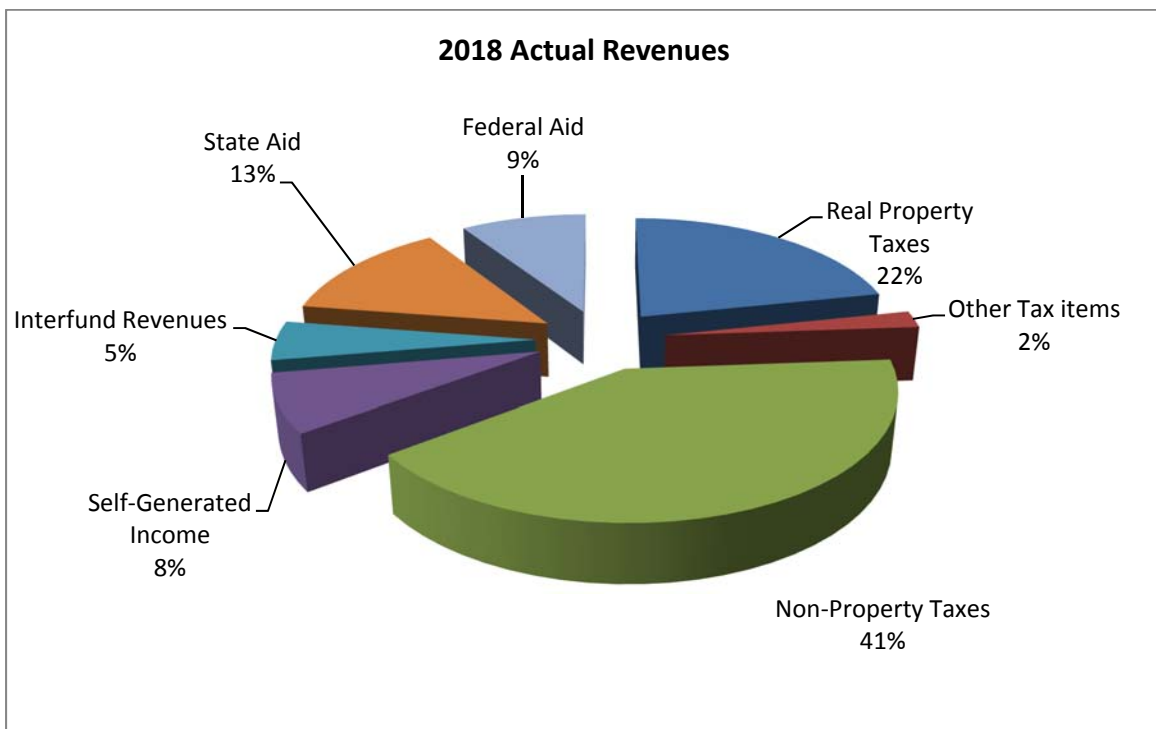
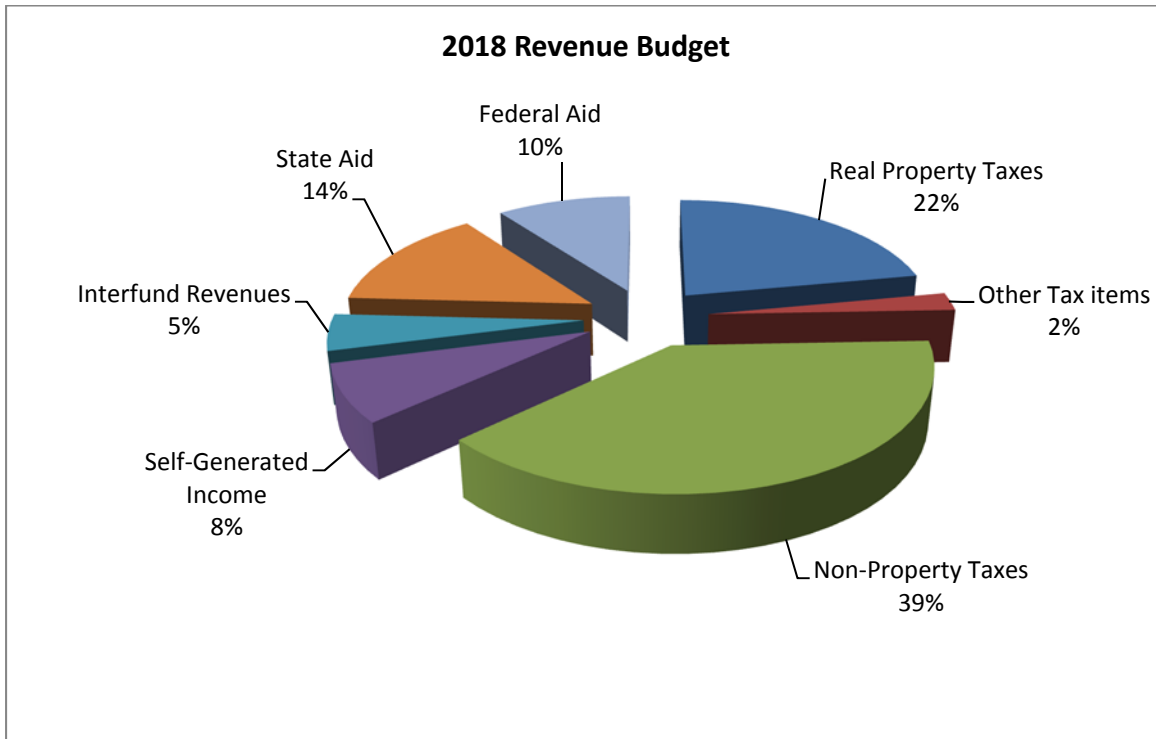
As of December 31, 2018, the County's total governmental funds reported a combined ending fund balance of \$199.8 million, an increase of \$61.8 million in comparison with \$138.0 million in the prior year.

The nonspendable fund balance component of \$8.2 million is reserved for collection of long-term taxes receivable. The restricted fund balance component of \$117.4 million includes \$4.9 million of law enforcement and related items in the General Fund, \$19.2 million of unspent bond proceeds restricted for debt service, and \$93.3 million for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings. The committed portion of fund balance of \$2.3 million is designated for treatment plant and collection system in the Sewer Fund. The assigned fund balance totaling \$39.7 million is composed primarily of encumbrances of \$8.1 million, subsequent years' expenditures of \$10.2 million and undesignated of \$17.8 million in the special revenue funds, and \$3.5 million in transportation projects further detail of which can be found in Note 4K of this report. The remaining fund balance of \$32.3 million is composed of the unassigned fund balance of \$32.3 million in the General Fund.

The General Fund is the primary operating fund of the County. At the end of the current 2018 fiscal year, the total fund balance of the General Fund was \$52.4 million (composed of nonspendable \$8.2 million, restricted \$5.6 million, assigned \$6.3 million and unassigned \$32.3 million). At the end of the 2017 fiscal year, the total fund balance of the General Fund was \$32.8 million (composed of nonspendable \$14.8 million, restricted \$6.3 million, assigned \$5.5 million and unassigned \$6.3 million).

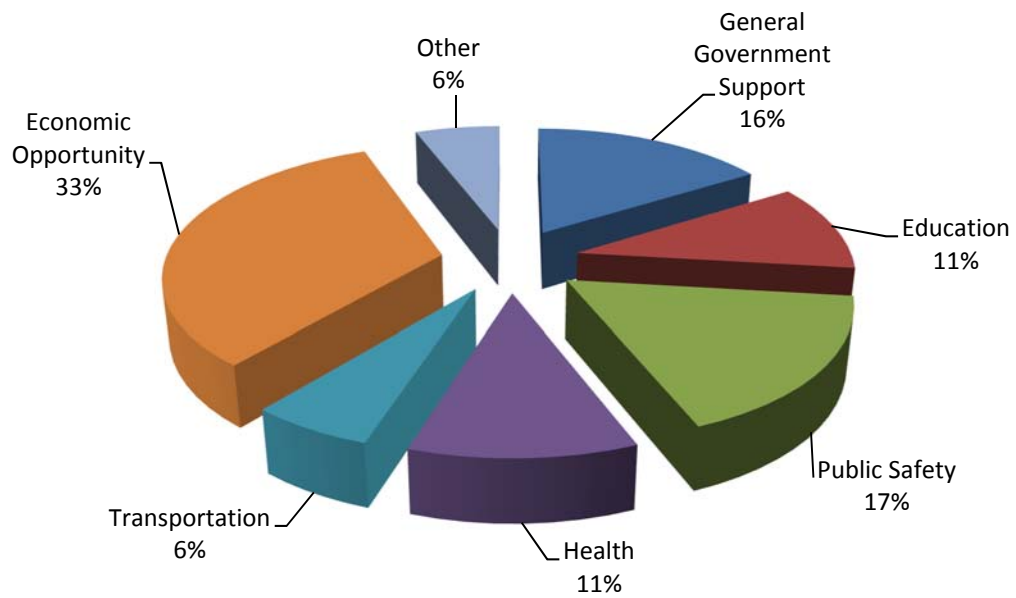
**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

The following graphs indicate the sources and uses of the General Fund.

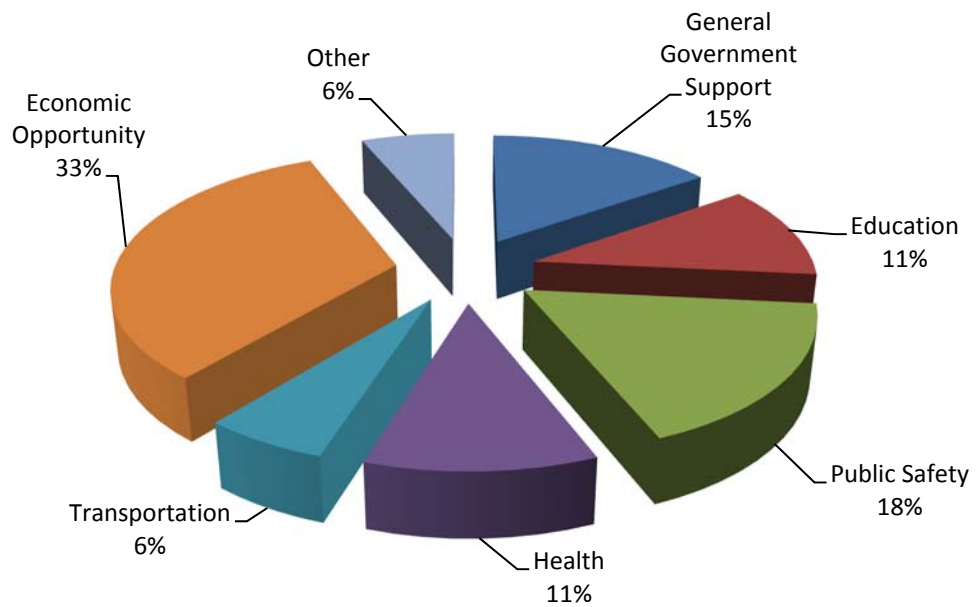


COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018

2018 Expenditure Budget



2018 Actual Expenditures



COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018

General Fund revenues were \$13.1 million higher in 2018 than in 2017 due to increases or (decreases) as indicated in the following table:

	2018	2017	Increase/ (Decrease)
Real Property Taxes	\$ 120,427,936	\$ 120,966,743	\$ (538,807)
Other Tax items	12,070,891	12,540,389	(469,498)
Non-Property Taxes	227,366,191	217,993,399	9,372,792
Self-Generated Income	41,921,760	40,783,662	1,138,098
Interfund Revenues	28,490,677	26,189,206	2,301,471
State Aid	74,182,933	72,948,034	1,234,899
Federal Aid	51,016,501	50,972,372	44,129
	<u>\$ 555,476,889</u>	<u>\$ 542,393,805</u>	<u>\$ 13,083,084</u>

Federal Aid 2018 revenues were consistent in comparison to 2017. As Federal Aid for Social Services is expense driven, it is noted that the corresponding administrative expenses for Medical Assistance, Child Support Enforcement, Childcare Block Grant, Adoption Assistance and Title XX also remained constant as indicated in the table below in Economic Opportunity.

Non-Property tax revenues increased in the amount of \$9,372,792 from \$217,993,399 in 2017 to \$227,366,191 in 2018 due to a thriving economy.

General Fund expenses were \$8.9 million higher in 2018 than they were in 2017 due to increases or (decreases) as indicated in the table below:

	2018	2017	Increase/ (Decrease)
General Government Support	\$ 73,521,358	\$ 80,091,454	\$ (6,570,096)
Education	54,395,253	54,820,250	(424,997)
Public Safety	83,663,196	80,083,980	3,579,216
Health	52,968,634	49,690,796	3,277,838
Transportation	28,792,489	28,411,803	380,686
Economic Opportunity	157,994,302	158,061,501	(67,199)
Other	30,282,641	21,473,140	8,809,501
	<u>\$ 481,617,873</u>	<u>\$ 472,632,924</u>	<u>\$ 8,984,949</u>

General Government Support spending decreased in the amount of \$6,570,096 because the unclassified expenses were moved from the General Government Support category to the Other category in 2018.

Education spending decreased in the amount of \$424,997 from \$54,820,250 in 2017 to \$54,395,253 in 2018 due to decreases in the handicapped children and early intervention programs. Although New York State law, effective April 2013, provides for the State to directly fund Early Intervention program providers, the County is required as of April 2013 to fund the escrow balance.

Public Safety spending increased in the amount of \$3,579,216 from \$80,083,980 in 2017 to \$83,663,196 in 2018 primarily for the Office of the Sheriff for increased building security in the amount of \$476,623, Correctional Facility in the amount of \$1,345,699, and increased costs of patrol in the amount of \$668,928.

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

Expenditures for Economic Opportunity (which consists of Department of Social Services, Veteran's Service Agency, Office for the Aging and Contract Agencies) decreased in the amount of \$67,199 from \$158,061,501 in 2017 to \$157,994,302 in 2018.

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$96,789,751. This is an increase of \$32,083,723; due primarily to the increase in bonds issued in the amount of \$53,620,000 as compared to no bonds issued in 2017. This increase in fund balance was partially offset by an increase in capital outlay in amount of \$7,453,680, and an increase in transfers out in the amount of \$3,663,829.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Fund. The Special Revenue Funds are made up of the following individual funds: County Road Fund, Road Machinery Fund, Community Development Fund, Sewer District Fund and Special Purpose Fund. For the fiscal year ended December 31, 2018, the combined fund balance of these funds totaled \$50.6 million. This represents an increase of \$10.1 million from the prior year.

Proprietary Funds – The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Budgetary Highlights

General Funds - Actual General Fund revenues, exclusive of other financing sources, were \$555.5 million, which was \$647,647 thousand less from the final budget. Most of this shortfall was from the area of real property tax and other tax items, State Aid, and Federal Aid. This shortfall was offset by a \$11.6 million excess revenue over budget in non-property taxes and \$1.1 million excess revenue over budget in interfund revenues. The three main revenue sources that comprised this number were as follows:

Real Property and other tax items	\$ (3.3) million
State Aid	\$ (3.6) million
Federal Aid	\$ (5.5) million

Overall, the actual General Fund expenditures, exclusive of other financing uses, were \$481.6 million, which was \$21.8 million less than the final budget. The major areas where spending was less than budget was Economic Opportunity \$9 million; Health and Public Safety was \$2.5 and \$2.6 million, respectively; and General Government Support of \$7.7 million primarily because of budgeted contingent fund savings.

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

Actual General Fund expenses, exclusive of other financing uses, were \$481.6 million, which was \$21.8 million less from the final budget due to the positive or (negative) variances as indicated in the table below:

	Final Budget	Actual	Variance Positive (Negative)
General Government Support	\$ 81,190,145	\$ 73,521,358	\$ 7,668,787
Education	54,020,985	54,395,253	(374,268)
Public Safety	86,245,277	83,663,196	2,582,081
Health	55,502,205	52,968,634	2,533,571
Transportation	30,199,911	28,792,489	1,407,422
Economic Opportunity	167,021,549	157,994,302	9,027,247
Other	29,258,741	30,282,641	(1,023,900)
	<u>\$ 503,438,813</u>	<u>\$ 481,617,873</u>	<u>\$ 21,820,940</u>

General Government Support spending was less than budgeted in the amount of \$7,668,787 in the Department of Budget and Finance, Other General Departments and Contingency Fund. Education spending was more than budgeted in the amount of \$374,268 in the education of handicapped children and early intervention mandated programs. Decreased public need caused areas of Public Safety (mainly the Office of the Sheriff Correctional Facility), Department of Health and Economic Opportunity (mainly the Department of Social Services), to spend less than budgeted in the amount of \$2,582,081, \$2,533,571, and \$9,027,247, respectively.

Capital Asset and Debt Administration

Capital Assets - The County's investment in capital assets for its governmental and business-type activities as of December 31, 2018, amounted to \$752 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.

**Rockland County Capital Assets
(Net of Depreciation)
(In Thousands)**

	2018	2017
Land	\$ 68,549	\$ 68,549
Building and Improvements	78,238	84,806
Equipment	50,263	49,443
Infrastructure	385,196	394,728
Construction-in-Progress	169,552	157,612
Total	<u>\$ 751,798</u>	<u>\$ 755,138</u>

Additional information on the County's capital assets can be found in Note 4D of this report.

**COUNTY OF ROCKLAND, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2018**

Long-Term Debt – As of December 31, 2018, the County had \$616 million in total long-term debt outstanding. This represents an increase of \$14.1 million over 2017. All this debt is backed by the full faith and credit of the County.

**Rockland County Outstanding Debt
General Obligation Bonds
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation						
Bonds - Gross	<u>\$ 523,407</u>	<u>\$ 510,610</u>	<u>\$ 92,138</u>	<u>\$ 90,867</u>	<u>\$ 615,545</u>	<u>\$ 601,477</u>

The County's current long-term borrowing rating assigned as of April 2019 is A+ by S & P (positive), A- by Fitch Ratings Inc. (positive), and A2 by Moody's Investors Service (stable).

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. In accordance with Article VIII of the State Constitution, the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County of the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluding debt", may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit.

Additional information on the County's long-term debt can be found in Note 4G of this report.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Stephen F. DeGroat, CPA, Commissioner of Finance, Rockland County Finance Department, 50 Sanatorium Road, Building A, 8th Floor, Pomona, NY 10970. The telephone number is (845) 364-3870, or visit the County's website at <http://rocklandgov.com>.

BASIC

FINANCIAL STATEMENTS

County of Rockland, New York

Statement of Net Position
December 31, 2018

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 226,035,495	\$ 5,771,383	\$ 231,806,878	\$ 47,283,077
Investments	-	-	-	4,507,949
Receivables				
Taxes, net	74,234,808	-	74,234,808	-
Accounts, net	42,597,216	3,634,208	46,231,424	7,804,751
Loans	428,534	-	428,534	-
State and Federal aid, net	61,631,616	-	61,631,616	2,170,156
Due from other governments	8,000,434	-	8,000,434	1,017,213
Internal balances	(36,180)	36,180	-	-
Funds held in escrow	-	3,781,100	3,781,100	-
Inventories	109,924	-	109,924	-
Prepaid expenses and other assets	229,168	21,352	250,520	1,850,156
	<u>413,231,015</u>	<u>13,244,223</u>	<u>426,475,238</u>	<u>64,633,302</u>
Restricted cash and cash equivalents	7,116,066	-	7,116,066	6,392,410
Restricted investments	-	-	-	1,396,671
Net pension asset	-	-	-	761,806
	<u>7,116,066</u>	<u>-</u>	<u>7,116,066</u>	<u>8,550,887</u>
Capital assets				
Nondepreciable	238,101,162	-	238,101,162	9,019,938
Depreciable, net	513,696,346	-	513,696,346	23,797,758
	<u>751,797,508</u>	<u>-</u>	<u>751,797,508</u>	<u>32,817,696</u>
Total Assets	<u>1,172,144,589</u>	<u>13,244,223</u>	<u>1,185,388,812</u>	<u>106,001,885</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>52,243,753</u>	<u>-</u>	<u>52,243,753</u>	<u>31,671,780</u>
LIABILITIES				
Accounts payable	34,160,154	42,213	34,202,367	13,150,123
Accrued liabilities	35,753,084	4,417,950	40,171,034	778,883
Due to other governments	7,572,361	-	7,572,361	348,772
Due to school districts	57,804,571	-	57,804,571	-
Unearned revenues	3,534,383	-	3,534,383	5,655,665
Accrued interest payable	4,832,392	-	4,832,392	-
Tax anticipation note payable	60,000,000	-	60,000,000	-
Noncurrent liabilities				
Due within one year	56,696,965	-	56,696,965	4,797,429
Due in more than one year	1,311,577,913	92,137,921	1,403,715,834	191,916,438
Total Liabilities	<u>1,571,931,823</u>	<u>96,598,084</u>	<u>1,668,529,907</u>	<u>216,647,310</u>
DEFERRED INFLOWS OF RESOURCES	<u>146,854,531</u>	<u>-</u>	<u>146,854,531</u>	<u>6,231,467</u>
NET POSITION (DEFICIT)				
Net investment in capital assets	380,927,720	-	380,927,720	5,113,171
Restricted for				
Capital projects	3,468,611	-	3,468,611	4,903,621
Law enforcement	2,957,361	-	2,957,361	-
Section 8 housing	163,295	-	163,295	-
Debt service	18,410,852	-	18,410,852	-
Student loans	-	-	-	12,915
Environmental programs	-	-	-	389,646
Scholarships and student services	-	-	-	3,438,426
Permanent endowments	-	-	-	848,078
Community Development	1,696,608	-	1,696,608	-
Sewer	8,319,173	-	8,319,173	-
Trusts	24,193	-	24,193	-
Unrestricted	<u>(910,365,825)</u>	<u>(83,353,861)</u>	<u>(993,719,686)</u>	<u>(99,910,969)</u>
Total Net Position (Deficit)	<u>\$ (494,398,012)</u>	<u>\$ (83,353,861)</u>	<u>\$ (577,751,873)</u>	<u>\$ (85,205,112)</u>

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Activities
Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government support	\$ 83,288,088	\$ 16,638,689	\$ 1,778,557	\$ -
Education	57,413,805	-	-	-
Public safety	80,715,918	4,098,852	5,799,725	-
Health	50,628,463	3,319,055	37,687,546	-
Transportation	51,367,303	7,602,519	21,890,545	11,976,323
Economic opportunity and development	154,568,419	5,498,823	62,473,701	-
Culture and recreation	480,638	-	108,551	-
Home and community services	37,292,654	22,622,644	191,301	-
Interest	15,426,058	-	-	5,641,264
Total Governmental Activities	531,181,346	59,780,582	129,929,926	17,617,587
Business-type activities				
Rockland Tobacco Asset Securitization Corporation	5,764,832	-	3,146,963	-
Rockland Second Tobacco Asset Securitization Corporation	235,970	-	759,263	-
Rockland County Health Facilities Corporation	132,170	140,787	-	-
Total Business-type Activities	6,132,972	140,787	3,906,226	-
Total Primary Government	\$ 537,314,318	\$ 59,921,369	\$ 133,836,152	\$ 17,617,587
Component units				
Rockland County Community College	\$ 89,618,945	\$ 20,188,803	\$ 21,060,864	\$ 350,959
Rockland County Soil and Water Conservation District	361,642	-	378,503	-
Rockland County Solid Waste Management Authority	53,566,337	53,036,388	1,714,342	-
Rockland County Industrial Development Agency	266,375	59,774	-	-
Total Component Units	\$ 143,813,299	\$ 73,284,965	\$ 23,153,709	\$ 350,959
General revenues				
Real property taxes				
Other tax items				
Interest and penalties on real property taxes				
Gain on sale of tax acquired property, net of property tax refunds				
STAR renunciation				
Payments in lieu of taxes				
Special assessments				
Non-property taxes				
Sales and use tax				
Mortgage tax				
Hotel/motel tax				
Residential energy use tax				
Motor vehicle use tax				
Unrestricted use of money and property				
Licenses and permits				
Fines and forfeitures				
Sale of property and compensation for loss				
Contributions from Rockland County				
Grants and contributions not restricted to specific programs				
Miscellaneous				
Total General Revenues				
Change in Net Position				
Beginning of Year, As Previously Stated				
Effect of Adoption of GASB Statement No. 75				
Beginning of Year, Restated				
Net Position - Ending				

The notes to the financial statements are an integral part of this financial statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (64,870,842)	\$ -	\$ (64,870,842)	\$ -
(57,413,805)	-	(57,413,805)	-
(70,817,341)	-	(70,817,341)	-
(9,621,862)	-	(9,621,862)	-
(9,897,916)	-	(9,897,916)	-
(86,595,895)	-	(86,595,895)	-
(372,087)	-	(372,087)	-
(14,478,709)	-	(14,478,709)	-
(9,784,794)	-	(9,784,794)	-
(323,853,251)	-	(323,853,251)	-
-	(2,617,869)	(2,617,869)	-
-	523,293	523,293	-
-	8,617	8,617	-
-	(2,085,959)	(2,085,959)	-
(323,853,251)	(2,085,959)	(325,939,210)	-
-	-	-	(48,018,319)
-	-	-	16,861
-	-	-	1,184,393
-	-	-	(206,601)
-	-	-	(47,023,666)
134,510,665	-	134,510,665	-
1,058,399	-	1,058,399	-
(86,630)	-	(86,630)	-
3,259	-	3,259	-
11,095,863	-	11,095,863	-
717,183	-	717,183	-
208,573,520	-	208,573,520	-
5,127,751	-	5,127,751	-
1,421,823	-	1,421,823	-
10,400,137	-	10,400,137	-
1,842,960	-	1,842,960	-
3,501,833	-	3,501,833	1,044,126
1,345,609	-	1,345,609	-
1,198,829	-	1,198,829	-
211,390	-	211,390	-
-	-	-	17,204,115
-	-	-	16,725,815
2,080,600	-	2,080,600	2,062,815
383,003,191	-	383,003,191	37,036,871
59,149,940	(2,085,959)	57,063,981	(9,986,795)
(109,153,391)	(81,267,902)	(190,421,293)	(9,494,488)
(444,394,561)	-	(444,394,561)	(65,723,829)
(553,547,952)	(81,267,902)	(634,815,854)	(75,218,317)
\$ (494,398,012)	\$ (83,353,861)	\$ (577,751,873)	\$ (85,205,112)

County of Rockland, New York

Balance Sheet
Governmental Funds
December 31, 2018

	General	Capital Projects
ASSETS		
Cash and cash equivalents	\$ 75,484,443	\$ 103,327,562
Taxes receivable, net	74,234,808	-
Other receivables		
Accounts, net of allowance for uncollectible amounts	41,006,098	-
Loans	-	-
State and Federal aid, net of allowance for uncollectible amounts	55,918,069	2,048,816
Due from other governments	8,000,434	-
Due from other funds	-	-
	104,924,601	2,048,816
Restricted cash	-	5,825,892
Total Assets	<u>\$ 254,643,852</u>	<u>\$ 111,202,270</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 27,903,184	\$ 3,783,632
Accrued liabilities	29,684,856	1,047,877
Due to other governments	7,317,451	254,910
Due to school districts	57,804,571	-
Due to other funds	1,886,344	9,326,100
Unearned revenues	1,837,776	-
Tax anticipation note payable	60,000,000	-
Total Liabilities	186,434,182	14,412,519
Deferred inflows of resources		
Deferred tax revenues	15,857,620	-
Total Liabilities and Deferred Inflows of Resources	202,291,802	14,412,519
Fund balances		
Nonspendable	8,161,617	-
Restricted	5,634,352	93,321,140
Committed	-	-
Assigned	6,262,030	3,468,611
Unassigned	32,294,051	-
Total Fund Balances	52,352,050	96,789,751
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 254,643,852</u>	<u>\$ 111,202,270</u>

The notes to the financial statements are an integral part of this financial statement.

Non-Major Governmental	Total Governmental Funds
\$ 43,268,860	\$ 222,080,865
-	74,234,808
1,439,573	42,445,671
428,534	428,534
3,212,467	61,179,352
-	8,000,434
7,607,004	7,607,004
12,687,578	119,660,995
1,290,174	7,116,066
<u>\$ 57,246,612</u>	<u>\$ 423,092,734</u>
\$ 1,465,181	\$ 33,151,997
3,058,417	33,791,150
-	7,572,361
-	57,804,571
405,938	11,618,382
1,696,608	3,534,384
-	60,000,000
6,626,144	207,472,845
-	15,857,620
6,626,144	223,330,465
-	8,161,617
18,435,045	117,390,537
2,277,374	2,277,374
29,908,049	39,638,690
-	32,294,051
50,620,468	199,762,269
<u>\$ 57,246,612</u>	<u>\$ 423,092,734</u>

County of Rockland, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2018

Fund Balances - Governmental Funds	\$ 199,762,269
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	749,909,214
Internal service funds are used by management to charge the costs of insurance and general services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(74,764,437)
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension assets (liabilities) whereas these amounts are deferred and amortized in the statement of activities	
Deferred amounts on refunding bonds	7,546,577
Deferred amounts on net pension assets/liabilities	(9,462,528)
Deferred amounts on other postemployment benefit obligations payable	(86,603,399)
	(88,519,350)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	15,857,620
	15,857,620
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Bonds payable	(517,469,096)
Compensated absences	(18,414,500)
Claims payable	(4,385,076)
HUD Section 108 loans payable	(3,906,000)
New York State loan payable - NYPA	(558,888)
New York State loan payable - retirement	(28,245,410)
Other postemployment benefit obligations payable	(703,484,046)
Net pension liability	(15,347,920)
Accrued interest payable	(4,832,392)
	(1,296,643,328)
Net Position of Governmental Activities	\$ (494,398,012)

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended December 31, 2018

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
REVENUES				
Real property taxes	\$ 120,427,936	\$ -	\$ 12,455,252	\$ 132,883,188
Other tax items	12,070,891	-	717,183	12,788,074
Non-property taxes	227,366,191	-	-	227,366,191
Departmental income	37,145,327	-	22,635,255	59,780,582
Use of money and property	1,539,487	-	1,961,972	3,501,459
Licenses and permits	1,307,939	-	37,670	1,345,609
Fines and forfeitures	1,178,288	-	20,541	1,198,829
Sale of property and compensation for loss	75,627	-	135,763	211,390
Interfund revenues	28,490,677	-	806,916	29,297,593
State aid	74,182,933	4,321,999	2,398,467	80,903,399
Federal aid	51,016,501	7,654,324	7,466,360	66,137,185
Miscellaneous	675,092	7,410	807,099	1,489,601
Total Revenues	555,476,889	11,983,733	49,442,478	616,903,100
EXPENDITURES				
Current				
General government support	73,521,358	-	-	73,521,358
Education	54,395,253	-	-	54,395,253
Public safety	83,663,196	-	-	83,663,196
Health	52,968,634	-	-	52,968,634
Transportation	28,792,489	-	15,887,219	44,679,708
Economic opportunity and development	157,994,302	-	2,120,316	160,114,618
Culture and recreation	170,457	-	-	170,457
Home and community services	5,425,101	-	19,937,423	25,362,524
Employee benefits	15,680,502	-	5,048,213	20,728,715
Other	7,564,914	-	-	7,564,914
Debt service				
Principal	-	-	42,298,904	42,298,904
Interest	1,441,667	-	15,687,501	17,129,168
Debt issuance cost	-	-	872,897	872,897
Capital outlay	-	28,652,838	-	28,652,838
Total Expenditures	481,617,873	28,652,838	101,852,473	612,123,184
Excess (Deficiency) of Revenues Over Expenditures	73,859,016	(16,669,105)	(52,409,995)	4,779,916
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	53,620,000	-	53,620,000
Issuance premium	591,000	-	2,732,902	3,323,902
Transfers in	3,432,017	-	74,659,023	78,091,040
Transfers out	(58,333,360)	(4,867,172)	(14,890,508)	(78,091,040)
Total Other Financing Sources	(54,310,343)	48,752,828	62,501,417	56,943,902
Net Change in Fund Balances	19,548,673	32,083,723	10,091,422	61,723,818
FUND BALANCES				
Beginning of Year	32,803,377	64,706,028	40,529,046	138,038,451
End of Year	\$ 52,352,050	\$ 96,789,751	\$ 50,620,468	\$ 199,762,269

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2018

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	\$ 61,723,818
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.	
Capital outlay expenditures	29,875,873
Depreciation expense	<u>(33,751,440)</u>
	<u>(3,875,567)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>1,627,477</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Bonds issued	(53,620,000)
Principal paid on bonds	41,558,769
Issuance premium	(2,732,902)
Principal paid on HUD Section 108 loans payable	456,000
Principal paid on New York State Loan - NYPA	412,404
New York State loan - Retirement	5,569,146
Amortization of loss on refunding bonds and issuance premium	<u>1,489,615</u>
	<u>(6,866,968)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Pension	(5,308,963)
Compensated absences	102,550
Claims payable	208,362
Other postemployment benefit obligations	12,628,285
Accrued interest	<u>369,703</u>
	<u>7,999,937</u>
Internal service funds are used by management to charge the costs of risk to individual funds. The net revenue of the internal service funds are reported within governmental activities.	
	<u>(1,458,757)</u>
Change in Net Position of Governmental Activities	<u>\$ 59,149,940</u>

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

General Fund

Statement of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 122,355,000	\$ 122,355,000	\$ 120,427,936	\$ (1,927,064)
Other tax items	13,400,000	13,400,000	12,070,891	(1,329,109)
Non-property taxes	215,736,380	215,736,380	227,366,191	11,629,811
Departmental income	35,171,135	34,531,714	37,145,327	2,613,613
Use of money and property	451,000	451,000	1,539,487	1,088,487
Licenses and permits	1,190,000	1,190,000	1,307,939	117,939
Fines and forfeitures	1,142,470	1,142,470	1,178,288	35,818
Sale of property and compensation for loss	20,700	20,700	75,627	54,927
Interfund revenues	26,367,400	27,346,789	28,490,677	1,143,888
State aid	74,457,330	77,776,293	74,182,933	(3,593,360)
Federal aid	53,662,995	56,498,150	51,016,501	(5,481,649)
Miscellaneous	2,444,980	5,676,040	675,092	(5,000,948)
Total Revenues	546,399,390	556,124,536	555,476,889	(647,647)
EXPENDITURES				
Current				
General government support	80,893,710	81,190,145	73,521,358	7,668,787
Education	53,985,985	54,020,985	54,395,253	(374,268)
Public safety	81,829,030	86,245,277	83,663,196	2,582,081
Health	51,687,850	55,502,205	52,968,634	2,533,571
Transportation	30,125,345	30,199,911	28,792,489	1,407,422
Economic opportunity and development	166,159,005	167,021,549	157,994,302	9,027,247
Culture and recreation	163,395	178,395	170,457	7,938
Home and community services	5,353,815	5,555,346	5,425,101	130,245
Employee benefits	14,075,000	14,075,000	15,680,502	(1,605,502)
Other	8,008,000	8,008,000	7,564,914	443,086
Debt service				
Interest	1,442,000	1,442,000	1,441,667	333
Total Expenditures	493,723,135	503,438,813	481,617,873	21,820,940
Excess of Revenues Over Expenditures	52,676,255	52,685,723	73,859,016	21,173,293
OTHER FINANCING SOURCES (USES)				
Issuance premium	640,000	640,000	591,000	(49,000)
New York State loan	1,815,000	1,815,000	-	(1,815,000)
Transfers in	3,734,745	3,734,748	3,432,017	(302,731)
Transfers out	(58,866,000)	(58,875,471)	(58,333,360)	542,111
Total Other Financing Sources (Uses)	(52,676,255)	(52,685,723)	(54,310,343)	(1,624,620)
Net Change in Fund Balance	-	-	19,548,673	19,548,673
FUND BALANCE				
Beginning of Year	-	-	32,803,377	32,803,377
End of Year	\$ -	\$ -	\$ 52,352,050	\$ 52,352,050

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Net Position
Proprietary Funds
December 31, 2018

	Business-Type Activities - Enterprise Funds				
	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	Rockland County Health Facilities Corporation	Total Business-type Activities - Enterprise Funds	Total Governmental Activities - Internal Service Funds
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 4,910,221	\$ 852,850	\$ 8,312	\$ 5,771,383	\$ 3,954,630
Receivables					
Accounts	2,902,581	731,627	-	3,634,208	151,544
State and Federal aid	-	-	-	-	452,267
Due from other funds	-	-	36,180	36,180	4,135,726
Funds held in escrow	-	-	3,781,100	3,781,100	-
Inventories	-	-	-	-	109,924
Prepaid expenses	21,352	-	-	21,352	229,168
Total Current Assets	<u>7,834,154</u>	<u>1,584,477</u>	<u>3,825,592</u>	<u>13,244,223</u>	<u>9,033,259</u>
Capital Assets					
Nondepreciable	-	-	-	-	1,847,214
Depreciable, net	-	-	-	-	41,080
Total Capital Assets, net of accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,888,294</u>
Total Assets	<u>7,834,154</u>	<u>1,584,477</u>	<u>3,825,592</u>	<u>13,244,223</u>	<u>10,921,553</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,649,040</u>
LIABILITIES					
Current Liabilities					
Accounts payable	1,250	1,250	39,713	42,213	1,008,147
Accrued liabilities	654,725	13,225	3,750,000	4,417,950	1,976,948
Due to other funds	-	-	-	-	145,515
Total Current Liabilities	<u>655,975</u>	<u>14,475</u>	<u>3,789,713</u>	<u>4,460,163</u>	<u>3,130,610</u>
Noncurrent Liabilities					
Due within one year	-	-	-	-	3,230,814
Due in more than one year	89,758,361	2,379,560	-	92,137,921	73,233,128
Total Noncurrent Liabilities	<u>89,758,361</u>	<u>2,379,560</u>	<u>-</u>	<u>92,137,921</u>	<u>76,463,942</u>
Total Liabilities	<u>90,414,336</u>	<u>2,394,035</u>	<u>3,789,713</u>	<u>96,598,084</u>	<u>79,594,552</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,740,478</u>
NET POSITION (DEFICIT)					
Net investment in capital assets	-	-	-	-	(4,049,673)
Unrestricted	(82,580,182)	(809,558)	35,879	(83,353,861)	(70,714,764)
Total Net Position (Deficit)	<u>\$ (82,580,182)</u>	<u>\$ (809,558)</u>	<u>\$ 35,879</u>	<u>\$ (83,353,861)</u>	<u>\$ (74,764,437)</u>

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2018

	Business - Type Activities - Enterprise Funds				
	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	Rockland County Health Facilities Corporation	Total Business-type Activities - Enterprise Funds	Total Governmental Activities - Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 28,396,354
State aid	-	-	-	-	506,929
Tobacco settlement revenues	2,844,715	711,178	-	3,555,893	-
Appropriations from the County	-	-	133,233	133,233	-
Miscellaneous	-	-	7,554	7,554	-
Total Operating Revenues	2,844,715	711,178	140,787	3,696,680	28,903,283
OPERATING EXPENSES					
Administrative and general expenses	-	-	132,170	132,170	2,071,941
Salaries and wage expenses	-	-	-	-	8,508,083
Employee benefits	-	-	-	-	10,309,944
Professional fees	28,128	40,902	-	69,030	-
Directors' fees	13,000	13,000	-	26,000	-
Insurance	23,293	-	-	23,293	-
Supplies and other expenses	-	-	-	-	9,292,129
Depreciation and amortization	-	-	-	-	24,108
Total Operating Expenses	64,421	53,902	132,170	250,493	30,206,205
Income (Loss) from Operations	2,780,294	657,276	8,617	3,446,187	(1,302,922)
NON-OPERATING REVENUES (EXPENSES)					
Interest income	302,248	48,085	-	350,333	373
Interest on indebtedness	(5,700,411)	(182,068)	-	(5,882,479)	(156,208)
Total Non-Operating Expenses	(5,398,163)	(133,983)	-	(5,532,146)	(155,835)
Change in Net Position	(2,617,869)	523,293	8,617	(2,085,959)	(1,458,757)
NET POSITION (DEFICIT)					
Beginning of Year, As Previously Stated	(79,962,313)	(1,332,851)	27,262	(81,267,902)	(47,664,664)
Effect of Adoption of GASB Statement No. 75	-	-	-	-	(25,641,016)
Beginning of Year, Restated	(79,962,313)	(1,332,851)	27,262	(81,267,902)	(73,305,680)
End of Year	<u><u>\$ (82,580,182)</u></u>	<u><u>\$ (809,558)</u></u>	<u><u>\$ 35,879</u></u>	<u><u>\$ (83,353,861)</u></u>	<u><u>\$ (74,764,437)</u></u>

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2018

	Business-Type Activities - Enterprise Funds				
	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	Rockland County Health Facilities Corporation	Total Business-type Activities - Enterprise Funds	Total Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from tobacco settlement revenues	\$ 2,913,459	\$ 728,364	\$ -	\$ 3,641,823	\$ -
Cash received from charges for services	-	-	-	-	27,289,997
Cash received from State and Federal aid	-	-	-	-	506,817
Other receipts	-	-	199,847	199,847	-
Cash payments to directors	-	(13,000)	-	(13,000)	-
Cash payments to insurance carriers and claimants	-	-	-	-	(4,608,337)
Cash payments to vendors	(64,421)	(40,902)	(204,113)	(309,436)	(7,765,740)
Cash payments to employees	-	-	-	-	(15,078,560)
Net Cash from Operating Activities	2,849,038	674,462	(4,266)	3,519,234	344,177
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Retirement of long-term debt	(2,060,000)	(510,000)	-	(2,570,000)	-
Interest on indebtedness	(1,913,514)	(174,000)	-	(2,087,514)	-
Net Cash from Non-Capital Financing Activities	(3,973,514)	(684,000)	-	(4,657,514)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from the issuance of long-term debt	-	-	-	-	800,000
Retirement of debt	-	-	-	-	(676,110)
Interest on indebtedness	-	-	-	-	(156,208)
Acquisition and construction of capital assets	-	-	-	-	(559,685)
Net Cash from Capital and Related Financing Activities	-	-	-	-	(592,003)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	376,562	48,885	-	425,447	373
Net Cash from Investing Activities	376,562	48,885	-	425,447	373
Net Change in Cash and Cash Equivalents	(747,914)	39,347	(4,266)	(712,833)	(247,453)
CASH AND CASH EQUIVALENTS					
Beginning of Year	5,658,135	813,503	12,578	6,484,216	4,202,083
End of Year	\$ 4,910,221	\$ 852,850	\$ 8,312	\$ 5,771,383	\$ 3,954,630
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES					
Income (loss) from operations	\$ 2,780,294	\$ 657,276	\$ 8,617	\$ 3,446,187	\$ (1,302,922)
Adjustments to reconcile income (loss) from operations to net cash from operating activities					
Depreciation and amortization	-	-	-	-	24,108
Transfer to escrow agent	-	-	(7,554)	(7,554)	-
Changes in assets and liabilities					
Accounts receivable	68,744	17,186	-	85,930	(61,989)
State and Federal aid receivable	-	-	-	-	(112)
Due from other funds	-	-	66,614	66,614	(1,044,368)
Inventories	-	-	-	-	(11,122)
Prepaid expenses	-	-	-	-	477,067
Accounts payable	-	-	(71,943)	(71,943)	146,753
Accrued liabilities	-	-	-	-	968,208
Due to other funds	-	-	-	-	121,523
Claims payable	-	-	-	-	1,620,694
Compensated absences	-	-	-	-	(7,450)
Net pension liability	-	-	-	-	342,451
Other post-employment benefit obligations payable	-	-	-	-	(928,664)
Net Cash from Operating Activities	\$ 2,849,038	\$ 674,462	\$ (4,266)	\$ 3,519,234	\$ 344,177

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Assets and Liabilities
Fiduciary Fund
December 31, 2018

	<u>Agency</u>
ASSETS	
Cash and equivalents	\$ 8,097,592
Accounts receivable	<u>18,891</u>
 Total Assets	 <u><u>\$ 8,116,483</u></u>
 LIABILITIES	
Accounts payable	\$ 1,390
Employee payroll deductions	729,533
Deposits	4,506,842
Due to other governments	<u>2,878,718</u>
 Total Liabilities	 <u><u>\$ 8,116,483</u></u>

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Net Position

Component Units

December 31, 2018 (Rockland County Community College as of August 31, 2018)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Totals
ASSETS					
Current Assets					
Cash and equivalents	\$ 13,437,196	\$ 269,980	\$ 30,996,147	\$ 2,579,754	\$ 47,283,077
Investments	4,455,469	52,480	-	-	4,507,949
Receivables					
Accounts, net of allowance for uncollectible amounts	5,834,745	78,205	1,886,101	5,700	7,804,751
State and Federal aid	1,904,040	159,595	106,521	-	2,170,156
Due from other governments	1,017,213	-	-	-	1,017,213
Prepaid expenses and other assets	1,581,944	-	267,462	750	1,850,156
	<u>28,230,607</u>	<u>560,260</u>	<u>33,256,231</u>	<u>2,586,204</u>	<u>64,633,302</u>
Noncurrent Assets					
Restricted cash	-	-	6,392,410	-	6,392,410
Restricted investments	-	-	1,396,671	-	1,396,671
Net pension asset	761,806	-	-	-	761,806
Intangible assets	-	-	-	-	-
Capital assets					
Nondepreciable	-	-	9,019,938	-	9,019,938
Depreciable, net	2,051,416	19,563	21,726,779	-	23,797,758
	<u>2,813,222</u>	<u>19,563</u>	<u>38,535,798</u>	<u>-</u>	<u>41,368,583</u>
Total Noncurrent Assets					
	<u>31,043,829</u>	<u>579,823</u>	<u>71,792,029</u>	<u>2,586,204</u>	<u>106,001,885</u>
DEFERRED OUTFLOWS OF RESOURCES					
	<u>15,188,736</u>	<u>-</u>	<u>16,483,044</u>	<u>-</u>	<u>31,671,780</u>
LIABILITIES					
Current Liabilities					
Accounts payable	6,535,342	81,086	6,533,695	-	13,150,123
Accrued liabilities	-	-	777,593	1,290	778,883
Due to other governments	259,244	89,528	-	-	348,772
Unearned revenues	5,655,665	-	-	-	5,655,665
	<u>12,450,251</u>	<u>170,614</u>	<u>7,311,288</u>	<u>1,290</u>	<u>19,933,443</u>
Total Current Liabilities					
	<u>12,450,251</u>	<u>170,614</u>	<u>7,311,288</u>	<u>1,290</u>	<u>19,933,443</u>
Non-current liabilities					
Due within one year	932,429	-	3,865,000	-	4,797,429
Due in more than one year	152,605,345	-	39,311,093	-	191,916,438
	<u>153,537,774</u>	<u>-</u>	<u>43,176,093</u>	<u>-</u>	<u>196,713,867</u>
Total Non-current Liabilities					
	<u>153,537,774</u>	<u>-</u>	<u>43,176,093</u>	<u>-</u>	<u>196,713,867</u>
Total Liabilities					
	<u>165,988,025</u>	<u>170,614</u>	<u>50,487,381</u>	<u>1,290</u>	<u>216,647,310</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>5,453,857</u>	<u>-</u>	<u>777,610</u>	<u>-</u>	<u>6,231,467</u>
NET POSITION					
Net investment in capital assets	(5,847,363)	19,563	10,940,971	-	5,113,171
Restricted for					
Capital projects	1,014,482	-	3,889,139	-	4,903,621
Student loans	12,915	-	-	-	12,915
Environmental programs	-	389,646	-	-	389,646
Scholarships and student services	3,438,426	-	-	-	3,438,426
Permanent endowments	848,078	-	-	-	848,078
Unrestricted	(124,675,855)	-	22,179,972	2,584,914	(99,910,969)
	<u>(124,675,855)</u>	<u>-</u>	<u>22,179,972</u>	<u>2,584,914</u>	<u>(99,910,969)</u>
Total Net Position	<u>\$ (125,209,317)</u>	<u>\$ 409,209</u>	<u>\$ 37,010,082</u>	<u>\$ 2,584,914</u>	<u>\$ (85,205,112)</u>

The notes to the financial statements are an integral part of this financial statement.

County of Rockland, New York

Statement of Activities

Component Units

Year Ended December 31, 2018

(Rockland County Community College Year Ended August 31, 2018)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 89,618,945	\$ 20,188,803	\$ 21,060,864	\$ 350,959
Rockland County Soil and Water Conservation District - Home and Community Services	361,642	-	378,503	-
Rockland County Solid Waste Management Authority Home and Community Services	53,566,337	53,036,388	1,714,342	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	266,375	59,774	-	-
Total Component Units	<u>\$ 143,813,299</u>	<u>\$ 73,284,965</u>	<u>\$ 23,153,709</u>	<u>\$ 350,959</u>

General Revenues

Unrestricted use of money and property

Contributions from County of Rockland

Grants and contributions not restricted to specific programs

Other revenues

Total General Revenues

Change in Net Position

NET POSITION

Beginning of Year, as Previously Reported

Effect of Adoption of GASB Statement No. 75

Beginning of Year, Restated

End of Year

The notes to the financial statements are an integral part of this financial statement.

Net (Expense) Revenue and Changes in Net Position				
Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Totals
\$ (48,018,319)	\$ -	\$ -	\$ -	\$ (48,018,319)
-	16,861	-	-	16,861
-	-	1,184,393	-	1,184,393
-	-	-	(206,601)	(206,601)
(48,018,319)	16,861	1,184,393	(206,601)	(47,023,666)
603,490	570	422,431	17,635	1,044,126
17,204,115	-	-	-	17,204,115
16,725,815	-	-	-	16,725,815
1,804,608	12,985	245,222	-	2,062,815
36,338,028	13,555	667,653	17,635	37,036,871
(11,680,291)	30,416	1,852,046	(188,966)	(9,986,795)
(49,027,846)	378,793	36,380,685	2,773,880	(9,494,488)
(64,501,180)		(1,222,649)		(65,723,829)
(113,529,026)	378,793	35,158,036	2,773,880	(75,218,317)
<u>\$ (125,209,317)</u>	<u>\$ 409,209</u>	<u>\$ 37,010,082</u>	<u>\$ 2,584,914</u>	<u>\$ (85,205,112)</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 – ORGANIZATION

The County of Rockland, New York (the “County”) was established in 1798 and operates in accordance with its Charter, County Law and the various other applicable laws of the State of New York. The County functions under a County Executive/Legislature form of government. The County Legislature is the legislative body responsible for overall operation of the County. The County Executive serves as the Chief Executive Officer and the Commissioner of Finance serves as the Chief Financial Officer. The County provides the following services to its residents: education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services, and general and administrative support.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the County, b) organizations for which the County is financially accountable and c) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability.

Based upon the application of the above criteria, the following individual component units are included in the County's reporting entity because of their operational or financial relationship with the County:

- The Rockland County Community College (the “College”) was established in 1959, with the County of Rockland as the local sponsor under provisions of Article 126 of the Education Law. The College is administered by a board of trustees consisting of ten voting members; five are appointed by the County Legislature, four by the Governor and one student elected by the student body. The College budget is subject to the approval of the County Legislature. The County generally provides one-half of the capital costs and one-third of the operating costs for the College. Title to real property of the College vests with the County and bonds and notes for College capital costs are issued by the County and are County debt. A fiscal year ending August 31 is mandated by State Law for the College. The College is included in the County's reporting entity since the primary government is able to impose its will, as demonstrated through the ability to approve budgets. The College may also result in a financial burden to the primary government since the County is obligated for the debt of the College. Since services are not provided entirely or almost entirely to the County, the College has been reflected as a discretely presented component unit.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The Rockland County Soil and Water Conservation District (the “District”) was established pursuant to New York State Soil Conservation District Law and legislative resolution. The District provides for the conservation of soil and soil resources of the State and the County. The Board of Directors is appointed by the County Legislature. The Board of Directors serves at the pleasure of the County Legislature and, therefore, the primary government is able to impose its will on the District. The District is also dependent on the financial support provided by the County. Since the District does not provide services entirely or almost entirely to the County, the financial statements of the District have been reflected as a discretely presented component unit.
- The Rockland County Solid Waste Management Authority (the “Authority”) is a public benefit corporation created pursuant to the Rockland County Solid Waste Management Authority Act constituting Title 13-M of the New York State Public Authorities Law. The Authority provides solid waste management services to the residents of the County. The Authority is administered by seventeen members. Eight members are members of the County Legislature, five members are supervisors of towns within the County, two members are mayors of villages recommended by the Conference of Mayors and two members are appointed by the County Executive. Consequently, the County is considered able to impose its will on the Authority. Authority members have complete responsibility for management of the Authority and accountability for fiscal matters. The Authority has the power to issue debt and enter into loan agreements. The County is not liable for the Authority's debt. Since the Authority does not provide services entirely or almost entirely to the County, the financial statements of the Authority have been reflected as a discretely presented component unit.
- The Rockland County Industrial Development Agency (the “Agency”) is a public benefit corporation created by State legislation to promote the economic welfare, recreation opportunities and prosperity of the County's inhabitants. Members of the Agency are appointed by the County Legislature. Agency members have complete responsibility for management of the Agency and accountability for fiscal matters. The County is not liable for Agency bonds or notes. The governing board of the Agency serves at the pleasure of the County Legislature and, therefore, the primary government is able to impose its will on the Agency. Since the Agency does not provide services entirely or almost entirely to the County of Rockland, the financial statements of the Agency have been reflected as a discretely presented component unit.

The following organizations are included in the County's reporting entity as blended component units:

- The Rockland Tobacco Asset Securitization Corporation (“RTASC”) and the Rockland Second Tobacco Asset Securitization Corporation (“RSTASC”) are not-for-profit local development corporations organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The Boards of Directors of each Corporation consist of five members; two designees of the Rockland County Executive, one designee of the chairman of the County Legislature, one designee of the chairman of the County's Budget and Finance Committee and a fifth shall be designated by a majority of the other four members. The Boards of Directors have complete responsibility for management of the Corporations and accountability for fiscal matters. The County is not liable for any deficits or the Corporations bonds or notes.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The GASB, in April 2004, issued a technical bulletin which clarified the financial reporting of Tobacco Settlement Authorities ("TSA"). This bulletin, which was effective for fiscal years ending after June 15, 2004, provides that when TSAs are entitled to future tobacco settlement resources and they appoint a majority of the TSA's governing board, the financial accountability criteria are met, and the TSA should be reported as a blended component unit of the settling government. Consequently, these organizations have been reflected as blended component units in the financial statements.

- The Rockland County Health Facilities Corporation (the "Corporation") is a not-for-profit local development corporation created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York (the "LDC Act") and legislative resolution to lessen the burdens of local government and acting in the public interest of the County. The legislative resolution, was passed on April 16, 2013, and the County executed a lease and leaseback agreement between the County and the Corporation providing for the transfer to the Corporation of all of the County's right, title and interest in the Skilled Nursing Facility by ninety-nine year lease, with the option to take fee title, subject to the retained rights of the County to continue to operate such facility until such time as the Corporation terminates such reserved rights. Members of the Corporation are appointed by the County Executive and the County Legislature. The governing board of the Corporation serves at the pleasure of the County Executive, and therefore, the primary government is able to impose its will on the Corporation. The County provides operating support to the Corporation and the County is liable for the Corporation's debt. Since the Corporation provides services that exclusively, or almost exclusively provides benefit to the County, the financial statements of the Corporation have been reflected as a blended component unit.

Complete financial statements of the individual component units can be obtained from their respective administrative offices as indicated below.

Rockland County Community College
145 College Road
Suffern, New York 10901

Rockland County Soil and Water Conservation District
23 New Hempstead Road
New City, New York 10956

Rockland County Solid Waste Management Authority
420 Torne Valley Road
Hillburn, New York 10931

Rockland County Industrial Development Agency
One Blue Hill Plaza
Pearl River, New York 10965

Rockland Tobacco Asset Securitization Corporation
50 Sanatorium Road
Building A – 8th Floor
Pomona, New York 10970

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Rockland Second Tobacco Asset Securitization Corporation
50 Sanatorium Road
Building A – 8th Floor
Pomona, New York 10970

Rockland County Health Facilities Corporation
50 Sanatorium Road
Building L
Pomona, New York 10970

Audit Responsibility:

During the year ended December 31, 2018, the individual component units included in the County's reporting entity that were audited by other auditors were the College, the Authority, and the Agency. Blended component units included in the County's reporting entity that were audited by other auditors were the RTASC, RSTASC and the Corporation. Such component units represented the below amounts as of and for the year ended December 31, 2018:

	Business-Type Activities	Primary Government	Component Units
Total assets	100.0%	1.1%	99.5%
Total net position	100.0%	14.4%	98.5%
Total revenues	100.0%	0.7%	99.7%

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government as a whole and its component units. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of net position presents the financial position of the County and its component units at the end of its fiscal year. The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the statement of activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the enterprise funds are charges to customers for services and tobacco settlement revenues and the principal operating expenses are cost of services, administrative expenses, professional and directors' fees, insurance, depreciation costs and benefit costs. The principal operating revenues of the Internal Service Funds are charges to customers for services, and operating expenses include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary and proprietary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the County's major governmental funds.

General Fund - The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not accounted for and reported in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

The County also reports the following non-major governmental funds:

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The special revenue funds of the County are as follows:

County Road Fund - The County Road Fund was established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.

Road Machinery Fund - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.

Community Development Fund - The Community Development Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development ("HUD").

Sewer District Fund - The Sewer District Fund is used to account for the operations and maintenance of the County's sewer facilities.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the County in accordance with terms of a trust agreement.

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. In prior years, the operations of the Summit Park Hospital ("Nursing Care Center") or ("Hospital Fund"), were recorded as a major enterprise fund. The Nursing Care Center was a chronic care hospital and a skilled nursing facility established and operated under the provisions of Article 6 of General Municipal Law. The Nursing Care Center discharged its last patient in December 2015 and submitted its operating certificate back to the New York State Department of Health in December 2015. As of December 31, 2015, the Hospital had ceased operations and the only operations within the Hospital Fund in 2016 consisted of the operation of certain mental health units. In 2016, the County determined the Hospital Fund was no longer operating as an enterprise fund as the remaining activities within the Hospital Fund were no longer being operated similar to a private business enterprise where the intent of the governing body is to finance or recover costs or providing goods and services to the general public on a continuing basis through user charges. Therefore, the activity of the Hospital Fund is reported within the General Fund beginning in 2016.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County has established its Workers' Compensation Benefits and General Services funds as internal service funds.

- c. Fiduciary Funds (Not Included in Government-wide Statements) - The Fiduciary Funds are used to account for assets held by the County in an agency capacity on behalf of others. The Agency Fund is primarily utilized to account for employee payroll deductions, deposits for welfare trusts and various taxes (i.e., mortgage taxes), that are payable to other jurisdictions or individuals.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety-day availability period is generally used for revenue recognition for most other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain pension costs, compensated absences, net pension liability, retirement incentives, certain claims and other post-employment benefit obligations, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Component Units

Component units are presented on the basis of accounting that most accurately reflects their activities. The District is accounted for on the modified accrual basis and is converted to the accrual basis for the government-wide statements. The College, Agency and the Authority are accounted for on the accrual basis. The College, however, does not reflect property, plant and equipment as an asset of the fund and depreciation is not reflected. Property, plant and equipment of the College are owned by the County.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Deposits, Investments and Risk Disclosure

Cash and Cash Equivalents - Cash and cash equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The County's investment policies are governed by State statutes. The County has adopted its own written investment policy which provides for the deposit of funds in Federal Deposit Insurance Corporation ("FDIC") insured commercial banks or trust companies located within the State. The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by FDIC insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Investments - All investments are stated at fair value, which is based on quoted market prices. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions. The objective of these investments is to preserve capital and mitigate credit and interest rate risk. The County was invested only in the above-mentioned obligations and, accordingly, was not exposed to any interest rate or credit risk.

The County follows the provisions of GASB Statement No. 72, "Fair Value Measurements and Application", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. The detail of these investments and their related risks are described in Note 4A.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The County has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the County does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either under collateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate cash balances that were not covered by depository insurance were not exposed to custodial credit risk as of December 31, 2018.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The County does not have a formal credit risk policy other than restrictions to obligations allowable under the General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The County's investment policy limits the amount on deposit at each of its banking institutions.

Taxes Receivable - Real property taxes are levied and attach as a lien against real property on January 1st. County taxes are billed with town taxes and initially collected by the towns on behalf of the County. Real property taxes may be paid between January 1st and January 31st without interest or penalty. Payments received after January 31st must include interest computed at 1% per month from February 1st. The towns retain the first amounts collected to satisfy their respective tax warrants. Amounts collected thereafter are remitted to the County. Tax rolls and a listing of the unpaid taxes are returned to the County in April. A 5% penalty is added to the unpaid tax, which is collected by the County.

The County enforces delinquent real property taxes under the provisions of Article 11 (Article 11 applies to taxes levied after December 31, 1995 and provides for the foreclosure of tax sale liens by proceedings in rem) of the Real Property Tax Law. Enforcement procedures set forth in Article 11 provide that the enforcing officer shall file a petition of foreclosure twenty-one months after the lien date (the County may extend the filing date for residential and farm property by one or two years). Such petition is required to be filed with the County Clerk within two business days after the execution of the petition. After the petition has been filed with the County Clerk, a notice of foreclosure must be published in at least two newspapers designated by the enforcing officer. The published notice shall include the date of the last day on which delinquent taxes may be redeemed. The redemption date must be at least three months after the date the notice is first published. If the delinquent taxes, including all related charges, are not paid on the date specified in the notice of foreclosure, the Court generally makes a final judgment awarding the property to the County. Such judgment will contain an order that a deed conveying title to the County shall be prepared, executed and duly recorded. No proceeding to set aside the deed may be maintained unless proceedings are commenced within two years from the date of recording the deed. Properties acquired by the County through tax enforcement procedures must be sold at a public auction.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County is also responsible for collecting and enforcing delinquent school district taxes. Such taxes are collected by the towns in the County between September 1st and October 31st, after which the school tax rolls and unpaid taxes are remitted to the County. A 5% penalty is added to the amount of the unpaid school tax. The County collects unpaid school taxes during the month of November. Any taxes remaining unpaid after this time are relieved, with a 7% penalty, as County taxes for the following year. The County must satisfy the full amount of the unpaid school districts taxes no later than April 1st of the year following the levy of such taxes.

Pursuant to Article 14 of the Real Property Tax Law, the County has agreements with various villages within the County to collect and enforce delinquent village taxes. County tax bills include amounts relieved, with a 7% penalty, for unpaid village taxes where appropriate. The County must satisfy the full amount of the unpaid village taxes no later than April 1st of the year following the levy of such taxes.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the County. Receivables are recorded, and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded, when appropriate.

Due From/To Other Funds - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2018, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Inventories - Inventories are stated at cost and consist of materials, supplies and drugs used in the operation of certain mental health units and materials and supplies used by the General Services Fund. The County uses the consumption method to relieve inventory. Purchases of inventory items at other locations are recorded as expenditures/expenses at the time of purchase and year-end balances at these locations are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Restricted Cash and Cash Equivalents and Investments - Restricted cash in the Capital Projects fund represents bond proceeds held by a state agency.

Restricted cash and investments in the Authority consist of bond proceeds held by a custodial agent. These funds are to be used for the construction of solid waste disposal facilities and payment of debt service.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation, if received on or before June 15, 2015. Donated capital assets received after June 15, 2015 are recorded at acquisition value.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings	30
Improvements	20
Equipment	3-10
Infrastructure	Up to 30

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheets.

Unearned Revenues - Unearned revenues arise when assets are recognized before a revenue recognition criterion has been satisfied. In government-wide financial statements, unearned revenues consist of amounts received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported unearned revenues of \$1,837,776 for State and Federal aid received in advance in the General Fund. The County has also reported unearned revenues of \$1,696,608 for Federal aid received in advance in the Community Development Fund. Such amounts have been deemed to be measurable but not "available" pursuant to U.S. GAAP.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The County reported deferred outflows of resources of \$7,546,577 for a deferred loss on refunding bonds in the government-wide statement of net position and \$747,233 in the component units' statement of net position. These amounts result from the difference in the carrying value of the refunded debt and its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Authority has reported deferred outflows of resources related to the consideration provided in excess of the net assets acquired relating to the acquisition of certain municipal assets. The gross amount of other deferred outflows, \$15,506,746, is net of accumulated amortization of \$775,337 at December 31, 2018. As of January 1, 2018 (see Note 2H), the other deferred outflows are amortized over periods considering the estimated useful lives of the assets acquired and other factors.

The County has reported deferred inflows of resources of \$15,857,620 for real property taxes in the General Fund and of \$790,889 for tuition assistance payments in the component units' statement of net position. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

The County (and the College and the Authority) also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit obligations. These amounts are detailed in the discussion of the pension and other postemployment benefit plans in Note 4G.

Long-Term Liabilities - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Debt Service or Capital Projects funds expenditures.

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Pension Liability - The net pension liability represents the County's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System ("ERS"). The financial reporting of these amounts is presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date."*

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the statement of net position include, net investment in capital assets, restricted for capital projects, law enforcement, Section 8 housing, debt service, student loans, unemployment benefits, environmental programs, scholarships and student services, permanent endowments and special revenue funds. The balance is classified as unrestricted.

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The County Legislature is the highest level of decision making authority for the County that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the County removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the County Legislature.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the County Legislature for amounts assigned for balancing the subsequent year's budget or the Commissioner of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In order to calculate the amounts to report as restricted and unrestricted fund balance in governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, County Road, Road Machinery, Community Development and Sewer District funds. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

H. New Accounting Pronouncements

The following are standards adopted by the County in the current year and standards which may impact the County in future years.

- In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"). GASB 75 establishes accounting and financial reporting standards for OPEB that is provided to employees of state and local governmental employees. The requirements of GASB 75 are effective for fiscal years beginning after June 15, 2017.

Effective January 1, 2018, the County implemented the provisions of GASB 75 and the OPEB financial statement amounts were measured and recognized in accordance with the standard, additional disclosures were added to Note 4G and a schedule of OPEB liability and OPEB as a percentage of covered payroll was presented as required supplementary information.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As a result of the adoption of GASB 75, beginning net position was restated as follows:

	<u>Governmental Activities</u>	<u>Component Units</u>
Net position (deficit) at December 31, 2017, as previously stated	\$ (109,153,391)	\$ (9,494,488)
Effect of adoption of GASB 75	<u>(444,394,561)</u>	<u>(65,723,829)</u>
Net position (deficit) at December 31, 2017, restated	<u>\$ (553,547,952)</u>	<u>\$ (75,218,317)</u>

The adoption of GASB 75 did not have any effect on the County's governmental fund financial statements as the OPEB liability is a long-term liability that is not due and payable in from current financial resources.

- In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, ("GASB 83"). GASB 83 addresses accounting and financial reporting for certain asset retirement obligations. This statement establishes criteria for determining the timing and pattern of recognition of a liability and corresponding deferred outflow of resources for asset retirement obligations. The requirements of GASB 83 are effective for fiscal years beginning after June 15, 2018 and were fully implemented by the County in the current year. The adoption of GASB 83 did not have an impact on the County's financial statements.
- In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, ("GASB 84"). The objective of GASB 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of GASB 84 are effective for fiscal years beginning after December 15, 2018. The County has not completed the process of evaluating the impact of GASB 84 on its financial statements. GASB 84 is not expected to have an impact on the County's financial statements.
- In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, ("GASB 85"). The objective of GASB 85 is to address practice issues that have been identified during implementation and application of certain GASB statements. The requirements of GASB 85 are effective for fiscal years beginning after June 15, 2017 and were fully implemented by the County in the current year.

In accordance with GASB 85, the Authority reclassified amounts previously reported as intangible assets (goodwill) as a deferred outflow of resources at December 31, 2017 and, beginning January 1, 2018 began amortizing the deferred outflows over periods considering the estimated useful lives of the assets acquired and other factors (see Note 2E).

- In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, ("GASB 86"). The primary objective of GASB 86 is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt. This statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished. The requirements of GASB 86 are effective for fiscal years beginning after June 15, 2017 and were fully implemented by the County in the current year. The adoption of GASB 86 did not have an impact on the County's financial statements.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- In June 2017, GASB issued Statement No. 87, *Leases*, (“GASB 87”). The objective of GASB 87 is to improve accounting and financial reporting for leases by governments. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of GASB 87 are effective for fiscal years beginning after December 15, 2019. The County has not completed the process of evaluating the impact of GASB 87 on its financial statements.
- In April 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, (“GASB 88”). The objective of GASB 88 is to improve the information that is disclosed in noted to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt by providing a clear definition for debt. GASB 88 requires that additional essential information related to debt be disclosed in the notes to the financial statements. The requirements of GASB 88 are effective for fiscal years beginning after June 15, 2018. GASB 88 is not expected to have an impact on the County’s financial statements.
- In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, (“GASB 89”). The objectives of GASB 89 are to enhance the relevance of comparability of information about capital assets and the cost of borrowing for a reporting period, and to simplify accounting for interest cost incurred before the end of a construction period. The requirements of GASB 89 are effective for fiscal years beginning after December 15, 2019. GASB 89 is not expected to have an impact on the County’s financial statements.
- In August 2018, GASB issued Statement No. 90, *Majority Equity Interests* (“GASB 90”). GASB 90 is effective for reporting periods beginning after December 15, 2018. GASB 90 clarifies the accounting and financial reporting requirements for a state or local government’s majority equity interest in an organization that remains legally separate after acquisition. GASB 90 is not expected to have an impact on the County’s financial statements.
- In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations* (“GASB 91”). GASB 91 is effective for reporting periods beginning after December 15, 2020. Conduit debt obligations are debt instruments issued by state and local governments to provide financing for a third party, which is primarily liable for repaying the debt instrument. GASB 91 updates Interpretation No. 2, “Disclosure of Conduit Debt Obligations,” which allowed for variations with the option for government issuers to either recognize conduit debt obligations as their own debt or to disclose them. GASB 91 addresses variation in practice by clarifying exactly what a conduit debt obligation is and eliminating the option for government issuers to recognize conduit debt obligations, thereby providing a single method of reporting. GASB 91 is not expected to have an impact on the County’s financial statements.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Data

The County generally follows the procedures listed below in establishing the budgetary data reflected in the financial statements:

- a) On or before August 1st, the administrative head of each department is required to submit to the County Executive the expenditure requirements for the next fiscal year.
- b) The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 1st.
- c) Subsequent to October 23rd, the Legislature conducts the necessary review of the tentative budget and proposes any changes thereto.
- d) Prior to November 20th, the Legislature shall hold a public hearing on the budget.
- e) After the public hearing, the Legislature may make changes to the budget. The budget shall be adopted no later than December 7th.
- f) Formal budgetary integration is employed during the year as a management control device for General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds.
- g) Budgets for General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary and Special Purpose funds.
- h) The County Legislature has legal responsibility for all budget amendments and transfers between functions of expenditure. The County Executive has authority for the transfer of appropriations within functions of expenditure.
- i) Appropriations in General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the County Legislature.

B. Property Tax Limitation

The County is permitted by the State Constitution to levy for purposes other than debt service up to 1½% of the five-year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2018 was \$544,944,134, which exceeded the actual levy by \$422,589,134.

On June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a County in a particular year. The original legislation that established the Tax Levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete, and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the County to increase its overall real property tax levy over the tax levy of the prior year by no more than the “Allowable Levy Growth Factor,” which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The “Inflation Factor” is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The County is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the County. The County Legislature may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the County Legislature first enacts, by a vote of at least sixty percent of the total voting power of the County Legislature, a local law to override such limit for such coming fiscal year.

C. Fund Deficits

RTASC, RSTASC, Workers’ Compensation Fund and the General Services Fund also reflect unassigned or unrestricted deficits of \$82,580,182, \$809,558, \$23,971,837 and \$46,742,927, respectively at December 31, 2018. These deficits will be addressed in the subsequent year.

D. Expenditures in Excess of Budget

The following functional expenditure categories of certain funds exceeded their budgetary authorization by the amounts indicated:

General Fund:

Assigned Counsel	\$ 103,218
County Auditor	7,182
County Clerk	105,691
Municipal Assistance and Sales Tax Sharing	1,228,304
Out of County Community College Tuition	583,622
Narcotics Task Force	225,694
Commission of Human Rights	21,952
Retirement - RCC	195,486
Health Insurance - RCC	1,343,644
Dental Insurance - RCC	79,924
Closed Departments	5,260

Community Development Fund:

Debt Service - Principal	456,000
Debt Service - Interest	193,938

Debt Service Fund:

Bond Issuance Cost	872,897
New York State Power Authority - Principal	2,794

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS

A. Investments and Fair Value Measurements

County:

In accordance with GASB 72, the County categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The County had no investments or other assets or liabilities measured at fair value as of December 31, 2018.

Rockland County Community College:

Permissible investments of the College include obligations of the U.S. Treasury, U.S. agencies, repurchase agreements and obligations of New York State or its political subdivisions, and accordingly, the College's policy provides for no credit risk on investments.

Investments of the College at December 31, 2018 consisted of short-term investments totaling \$4,455,469 which are stated at cost.

Rockland County Soil and Water Conservation District:

Investments of the District at December 31, 2018 consisted of certificates of deposit amounting to \$52,480 with original maturities of greater than three months and are stated at cost, which approximates fair value. The certificates of deposit are valued at cost and are not subject to the fair value hierarchy.

Rockland County Solid Waste Management Authority:

Restricted investments of the Authority consisted of the following at December 31, 2018:

	<u>Investment Maturity (In Years)</u>	
U.S. Treasury Bond State and Local Government Series, at fair value	6 to 10	\$ 841,020
Investment contract, at cost	6 to 10	<u>555,651</u>
Total restricted investments		<u><u>\$ 1,396,671</u></u>

The Authority's investments are fully collateralized with securities guaranteed by the U.S. Government.

The Authority's investment in the U.S Treasury Bond State and Local Government Series is recorded at fair value as determined by the bond trustee, and cost approximates fair value. Such investment was categorized as Level 2 in the fair value hierarchy. The investment contract is recorded at cost.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

B. Taxes Receivable

Taxes receivable at December 31, 2018 consisted of the following:

Tax liens	\$40,641,235
Tax installments	8,066,981
Returned school district taxes	25,994,037
Returned village taxes	<u>3,332,555</u>
	78,034,808
Less: allowance for uncollectible taxes	<u>(3,800,000)</u>
Taxes receivable, net	<u><u>\$74,234,808</u></u>

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April of the following year. Taxes receivable, at the fund level, are also partially offset by deferred inflows of resources of \$15,857,620, which represent an estimate of the receivable which will not be collected within the first sixty days of the subsequent year. School district and village taxes receivable in the amount of \$8,161,617 is also classified as nonspendable fund balance in the fund financial statements, which represent an estimate of taxes receivable that will not be collected within the subsequent year.

C. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2018 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 1,901,357
Capital Projects	-	9,326,100
Non-Major Governmental	7,607,004	405,938
County Health Facilities Corporation	36,180	-
Internal Service	<u>4,135,726</u>	<u>145,515</u>
	<u>\$ 11,778,910</u>	<u>\$ 11,778,910</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occurred, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Changes in the County's capital assets were as follows for the year ended December 31, 2018:

Class	January 1, 2018	Additions/ Adjustments	Deletions	December 31, 2018
Government Activities (inclusive of Internal Service Funds)				
Nondepreciable				
Land	\$ 68,549,273	\$ -	\$ -	\$ 68,549,273
Construction-in-progress	157,611,685	32,659,572	20,719,367	169,551,890
 Total nondepreciable capital assets	 226,160,958	 32,659,572	 20,719,367	 238,101,163
Depreciable				
Buildings	133,582,136	-	-	133,582,136
Improvements	150,060,499	2,456,336	-	152,516,835
Equipment	134,306,652	8,823,125	5,741,864	137,387,913
Infrastructure	800,091,829	6,646,337	-	806,738,166
 Total depreciable capital assets	 1,218,041,116	 17,925,798	 5,741,864	 1,230,225,050
Less: accumulated depreciation for				
Buildings	83,148,802	3,659,703	-	86,808,505
Improvements	115,688,259	5,364,051	-	121,052,310
Equipment	84,863,512	7,987,228	5,725,310	87,125,430
Infrastructure	405,363,977	16,178,483	-	421,542,460
 Total accumulated depreciation	 689,064,550	 33,189,465	 5,725,310	 716,528,705
 Total depreciable capital assets, net	 528,976,566	 (15,263,667)	 16,554	 513,696,345
 Governmental Activities				
Capital assets, net	<u>\$ 755,137,524</u>	<u>\$ 17,395,905</u>	<u>\$ 20,735,921</u>	<u>\$ 751,797,508</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation expense was charged to the County's functions and programs as follows for the year ended December 31, 2018:

Governmental Activities:

General Government Support	\$ 3,921,039
Education	3,018,552
Public Safety	5,483,545
Health	760,947
Transportation	7,263,403
Economic Opportunity and Development	67,639
Culture and Recreation	399,472
Home and Community Services	12,250,735

Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets

24,133

Total Depreciation Expense - Governmental Activities \$ 33,189,465

Capital Assets - Component Units

Changes in the College's (component unit) capital assets were as follows for the year ended December 31, 2018:

Class	Balance September 1, 2017	Additions	Deletions	Balance August 31, 2018
Depreciable capital assets - equipment	\$ 12,820,911	\$ -	\$ -	\$ 12,820,911
Less: accumulated depreciation	<u>(10,345,037)</u>	<u>(424,458)</u>	<u>-</u>	<u>(10,769,495)</u>
Community College capital assets, net	<u>\$ 2,475,874</u>	<u>\$ (424,458)</u>	<u>\$ -</u>	<u>\$ 2,051,416</u>

Changes in the District's (component unit) capital assets were as follows for the year ended December 31, 2018:

Class	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Depreciable capital assets - equipment	\$ 29,400	\$ -	\$ -	\$ 29,400
Less: accumulated depreciation	<u>(4,248)</u>	<u>(5,589)</u>	<u>-</u>	<u>(9,837)</u>
Soil and Water Conservation District capital assets, net	<u>\$ 25,152</u>	<u>\$ (5,589)</u>	<u>\$ -</u>	<u>\$ 19,563</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Changes in the Authority's (component unit) capital assets were as follows for the year ended December 31, 2018:

Class	Balance January 1, 2018	Additions	Deletions and Transfers	Balance December 31, 2018
Nondepreciable				
Land	\$ 6,718,705	\$ -	\$ -	\$ 6,718,705
Construction-in-progress	100,836	3,749,796	1,549,399	2,301,233
Total nondepreciable capital assets	6,819,541	3,749,796	1,549,399	9,019,938
Depreciable				
Buildings	54,017,518	114,568	(1,404,118)	55,536,204
Improvements	2,420,054	-	(145,281)	2,565,335
Equipment	21,363,085	29,963	-	21,393,048
Total depreciable capital assets	77,800,657	144,531	(1,549,399)	79,494,587
Less: accumulated depreciation for				
Buildings	35,929,404	2,557,399	-	38,486,803
Improvements	1,064,823	96,802	-	1,161,625
Equipment	17,022,498	1,096,882	-	18,119,380
Total accumulated depreciation	54,016,725	3,751,083	-	57,767,808
Total depreciable capital assets, net	23,783,932	(3,606,552)	(1,549,399)	21,726,779
Solid Waste Management Authority capital assets, net	\$ 30,603,473	\$ 143,244	\$ -	\$ 30,746,717

E. Accrued Liabilities

Accrued liabilities at December 31, 2018 were as follows:

	Governmental Activities	Business-Type Activities	Total
Payroll and employee benefits	\$ 30,962,218	\$ -	\$ 30,962,218
Other	4,790,866	4,417,950	9,208,816
Total accrued liabilities	\$ 35,753,084	\$ 4,417,950	\$ 40,171,034

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

F. Short-Term Non-Capital Borrowings

The schedule below details the changes in short-term non-capital borrowings. These borrowings consisted of notes issued in anticipation of the collection of certain tax and other revenues.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2018	New Issues	Redemptions	Balance December 31, 2018
Tax Anticipation Notes:							
County Operations	2017	3/22/2018	2.50 %	\$ 60,000,000	\$ -	\$ 60,000,000	\$ -
County Operations	2018	4/2/2019	3.00 %	-	60,000,000	-	60,000,000
				<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>

The \$60,000,000 tax anticipation notes that were issued on April 6, 2017, matured on March 22, 2018. Interest expenditures of \$1,441,667 were recorded in the General Fund financial statements.

Tax anticipation notes, in the amount of \$60,000,000 were issued on May 4, 2018. They matured on April 2, 2019 and have an interest rate of 3%. Interest expense of \$1,462,861 was recorded in the government-wide financial statements for governmental activities.

G. Long-Term Liabilities

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2018:

	Balance January 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2018	Due Within One Year
Governmental Activities:					
Bonds Payable					
Capital Construction	\$ 397,422,879	\$ 54,420,000	\$ 28,544,879	\$ 423,298,000	\$ 32,154,000
Other	98,490,000	-	13,690,000	84,800,000	13,125,000
	<u>495,912,879</u>	<u>54,420,000</u>	<u>42,234,879</u>	<u>508,098,000</u>	<u>45,279,000</u>
Plus - Unamortized premium on bonds	<u>14,697,276</u>	<u>2,732,902</u>	<u>2,121,115</u>	<u>15,309,063</u>	<u>-</u>
	510,610,155	57,152,902	44,355,994	523,407,063	45,279,000
Other Non-Current Liabilities:					
New York State Loan Payable - retirement	33,814,556	-	5,569,146	28,245,410	5,762,665
Due to NYS Power Authority	971,292	-	412,404	558,888	417,924
HUD Section 108 loans payable	4,362,000	-	456,000	3,906,000	456,000
Compensated absences	20,310,116	-	109,999	20,200,117	2,023,485
Claims payable	26,166,572	6,242,121	4,829,789	27,578,904	2,757,891
Net pension liability	50,592,114	-	34,277,273	16,314,841	-
Other postemployment benefit obligations payable	<u>409,324,774</u>	<u>366,328,262</u>	<u>27,589,381</u>	<u>748,063,655</u>	<u>-</u>
Governmental Activities Long-term Liabilities	<u>\$ 1,056,151,579</u>	<u>\$ 429,723,285</u>	<u>\$ 117,599,986</u>	<u>\$ 1,368,274,878</u>	<u>\$ 56,696,965</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

	Balance January 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2018	Due Within One Year
Business-type Activities:					
Bonds payable	\$ 91,887,539	\$ 3,804,009	\$ 2,570,000	\$ 93,121,548	\$ -
Less: Unamortized discount on bonds	<u>(1,020,585)</u>	<u>-</u>	<u>(36,958)</u>	<u>(983,627)</u>	<u>-</u>
Business-type Activities Long-term Liabilities	<u>\$ 90,866,954</u>	<u>\$ 3,804,009</u>	<u>\$ 2,533,042</u>	<u>\$ 92,137,921</u>	<u>\$ -</u>
Solid Waste Management Authority - Component Unit:					
Bonds payable	\$ 40,600,000	\$ -	\$ 6,060,000	\$ 34,540,000	\$ 3,865,000
Add: Unamortized premium on bonds	492	1,430,511	98,342	1,332,661	-
Less: Unamortized discount on bonds	<u>(633,223)</u>	<u>-</u>	<u>(602,939)</u>	<u>(30,284)</u>	<u>-</u>
	39,967,269	1,430,511	5,555,403	35,842,377	3,865,000
Net pension liability	655,666	-	410,593	245,073	-
Other postemployment benefit obligations payable	<u>5,416,902</u>	<u>1,671,741</u>	<u>-</u>	<u>7,088,643</u>	<u>-</u>
Solid Waste Management Long-term Liabilities	<u>\$ 46,039,837</u>	<u>\$ 3,102,252</u>	<u>\$ 5,965,996</u>	<u>\$ 43,176,093</u>	<u>\$ 3,865,000</u>
Rockland County Community College - Component Unit:					
Lease-purchase debt	\$ -	\$ 8,473,000	\$ -	\$ 8,473,000	\$ 574,221
Compensated absences	3,761,463	-	179,383	3,582,080	358,208
Net pension liability	3,101,054	-	2,148,235	952,819	-
Other postemployment benefit obligations payable	<u>61,442,421</u>	<u>82,971,780</u>	<u>3,884,326</u>	<u>140,529,875</u>	<u>-</u>
	<u>\$ 68,304,938</u>	<u>\$ 91,444,780</u>	<u>\$ 6,211,944</u>	<u>\$ 153,537,774</u>	<u>\$ 932,429</u>

Governmental fund liabilities for bonds are liquidated by the Debt Service Fund, which is funded by other governmental funds. The liability for compensated absences is liquidated by the General, County Road, Road Machinery and Sewer District funds. Each governmental fund's (General, County Road, Road Machinery and Sewer District) liability for pension obligations, claims payable and other postemployment benefit obligations are liquidated by the respective fund.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Bonds Payable – Governmental Activities

Bonds payable – governmental activities at December 31, 2018 were comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2018
Various Purposes	2010	\$ 33,791,000	September, 2017	2.500-3.500 %	\$ 19,980,000
Various Purposes Refunding	2010	19,225,000	May, 2016	3.000-4.000	3,815,000
Public Improvements	2010	11,400,000	June, 2020	3.000-3.125	2,570,000
Various Purposes	2011	20,335,000	June, 2026	4.250-4.500	1,325,000
Judgments	2011	5,000,000	December, 2031	3.500-4.500	3,670,000
Various Purposes	2012	36,322,000	October, 2032	3.500-3.750	27,965,000
Judgments	2012	5,000,000	December, 2022	5.000	2,350,000
Various Purposes	2013	33,746,000	October, 2027	3.750-4.000	23,580,000
Various Purposes 2013B	2013	5,000,000	December, 2023	5.000	3,045,000
Various Purposes 2014A	2014	96,000,000	December, 2024	3.250-5.000	68,605,000
Public Improvement 2014B	2014	10,734,000	December, 2044	4.250-4.500	10,115,000
Public Improvement 2014C	2014	41,549,000	May, 2023	3.000-4.000	24,210,000
Various Purposes Refunding	2014	18,035,000	February, 2023	1.320-2.780	9,275,000
Various Purposes Refunding	2015	18,350,000	January, 2027	2.000-5.000	16,610,000
Refunding Mirant Bonds	2015	5,070,000	January, 2027	2.000-5.000	4,560,000
Various Purposes Refunding	2015	5,480,000	January, 2021	3.000-4.000	3,390,000
Various Purposes	2015	28,610,000	December, 2031	2.000-3.250	25,320,000
Refunding Mirant Bonds	2016	15,015,000	June, 2028	2.000-5.000	14,690,000
Various Purposes Refunding	2016	11,115,000	June, 2028	2.000-5.000	10,920,000
Various Purposes	2016	24,947,879	November, 2030	2.250-3.000	23,155,000
Sewer EFC 2010C	2010	15,128,142	October, 2039	2.586-4.603	11,440,000
Sewer EFC 2011C	2011	28,290,003	November, 2040	2.106-4.746	21,865,000
Sewer EFC 2012B (2003B)	2012	2,655,000	December, 2025	5.609-6.189	1,835,000
Sewer EFC 2012B (2002C)	2012	4,518,000	March, 2020	5.129-5.179	1,306,000
Sewer EFC 2012E (2002I)	2012	1,774,000	September, 2022	5.020-5.380	813,000
Sewer EFC 2012E (2002I)	2012	452,000	September, 2021	5.020-5.380	174,000
Sewer EFC 2013B	2013	6,085,500	November, 2042	1.743-4.756	5,005,000
Sewer EFC 2013B	2013	7,755,982	May, 2043	1.743-4.756	6,625,000
Sewer EFC 2014B	2014	11,113,997	May, 2044	0.9515-4.2925	9,880,000
Sewer EFC 2014B (2004D)	2014	23,735,000	February, 2034	4.586-5.150	20,000,000
Sewer EFC 2015B	2015	41,867,000	March, 2045	0.860-4.267	38,070,000
Sewer EFC 2015D (2005A)	2015	8,420,000	May, 2034	3.951-4.569	7,220,000
Sewer EFC 2015D (2005B)	2015	25,140,000	October, 2034	3.739-4.129	20,620,000
Sewer EFC 2015D (2005C)	2015	11,080,000	April, 2036	4.477-4.861	9,675,000
Various Purposes	2018	54,420,000	May, 2048	3.250-4.000	54,420,000
					<u>\$ 508,098,000</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

New York State Loan Payable - Retirement

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal installments over a ten-year period, although amounts may be prepaid at any time. Interest will be charged at annual rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The County elected to amortize the maximum amount allowable, which aggregated \$55,000,995. The balance due at December 31, 2018 was \$28,245,410.

Due to NYS Power Authority

The County entered into a Customer Installation Commitment Agreement with the New York State Power Authority for the County Office Building Utility Plant Upgrade and Renovation. The loan is for ten years, to be paid in monthly installments, including interest at the rate of 1.43%. The balance due at December 31, 2018 was \$558,888.

HUD Section 108 Loans Payable

Under HUD's Loan Guarantee ("Section 108") program, recipients of the CDBG Entitlement Grant program funds may pledge future grant funds as collateral for loans guaranteed by HUD (these loans were provided from private lenders since July 1, 1986). Section 108 provides entitlement communities with a source of financing for projects that are too large to be financed from annual grants. The balance due at December 31, 2018 by the County under the Section 108 program was \$3,906,000.

Payments to Maturity – Governmental Activities

The annual requirements to amortize all bonded debt outstanding as of December 31, 2018, including interest payments, were as follows:

Year Ending December 31,	Governmental Activities					
	Bonds		New York State Loan - NYPA		New York State Loan - Retirement	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 45,279,000	\$ 17,383,123	\$ 418,166	\$ 5,258	\$ 5,762,665	\$ 956,113
2020	44,886,000	14,751,788	140,722	419	5,963,062	755,715
2021	44,384,000	13,126,525	-	-	5,694,139	548,190
2022	44,679,000	11,486,520	-	-	4,900,581	357,097
2023	45,430,000	9,784,213	-	-	3,408,929	196,459
2024-2028	142,155,000	30,522,917	-	-	2,516,034	102,693
2029-2033	77,010,000	13,702,535	-	-	-	-
2034-2038	31,390,000	6,651,697	-	-	-	-
2039-2043	23,140,000	3,254,709	-	-	-	-
2044-2048	9,745,000	612,074	-	-	-	-
	<u>\$ 508,098,000</u>	<u>\$ 121,276,101</u>	<u>\$ 558,888</u>	<u>\$ 5,677</u>	<u>\$ 28,245,410</u>	<u>\$ 2,916,267</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Year Ending December 31,	Governmental Activities			
	HUD Section 108 Loans		Total	
	Principal	Interest	Principal	Interest
2019	\$ 456,000	\$ 176,091	\$ 51,915,831	\$ 18,520,585
2020	456,000	155,744	51,445,784	15,663,666
2021	456,000	134,969	50,534,139	13,809,684
2022	457,000	113,579	50,036,581	11,957,196
2023	458,000	91,813	49,296,929	10,072,485
2024-2028	1,290,000	178,694	145,961,034	30,804,304
2029-2033	333,000	25,285	77,343,000	13,727,820
2034-2038	-	-	31,390,000	6,651,697
2039-2043	-	-	23,140,000	3,254,709
2044-2048	-	-	9,745,000	612,074
	<u>\$ 3,906,000</u>	<u>\$ 876,175</u>	<u>\$ 540,808,298</u>	<u>\$ 125,074,220</u>

Bonds Payable – Business-Type Activities

RTASC issued Series 2001 turbo term bonds on December 20, 2001 to finance the purchase of the tobacco rights from the County and the related costs of issuance. The turbo term bonds were issued for \$46,767,234, net of original discount of \$982,766 and bear interest at rates ranging from 4.625% to 5.75%, depending on maturity. Annual principal payments on Tobacco Settlement Bonds are dependent upon tobacco settlement revenue received, therefore, the current portion considered payable as of December 31, 2018 is not determinable. The stated maturity date for the bonds is June 1, 2043; the bonds must be paid in full by this date in order to avoid an event of default.

During 2005, RTASC issued \$24,484,850 of Tobacco Settlement Asset-Backed Subordinate Turbo Capital Appreciation Bonds, Series 2005 A, B and C (collectively “Series 2005”), net of original discount of \$507,590, the proceeds of which were used to pay certain costs of issuance related to the Series 2005 bonds and provide the County, the owner of the beneficial interest in the Residual Trust which holds the Residual Certificate, with the balance of the funds. The Series 2005 bonds are subordinate to both the Series 2001 Bonds, as well as the remaining balance totaling \$3,605,000 of the Tobacco Settlement Asset-Backed Bonds, Series 2003 (“Series 2003”) issued by RSTASC. No payments will be made on Series 2005 bonds until such time that the Series 2001 and Series 2003 bonds have been paid in full.

Interest on Subordinate Turbo CABs is compounded semiannually on June 1 and December 1 but is not payable until bond maturity. Interest accretes until both principal and accreted interest are paid. Future interest accretion has been recorded as a bond discount and amortized as the current interest accretes. The accrued interest on the Subordinate Turbo CABs is reflected within the Subordinate Turbo CABs payable liability.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Redemption of the Subordinate Turbo CABs, as outlined in the official statement, is scheduled to be paid through 2060, while early payment is allowed. During the year ended December 31, 2018, RTASC did not make any redemption payments. Any debt service amounts not paid in accordance with the Turbo Redemption Payments schedule will be due and payable on the maturity dates below:

- Series 2005A August 15, 2045
- Series 2005B August 15, 2050
- Series 2005C August 15, 2060

RSTASC issued turbo term bonds on December 18, 2003 to finance the purchase of the tobacco rights from RTASC and the related costs of issuance. The turbo term bonds were issued for \$9,275,102, net of original issue discount of \$439,898 and bear interest at rates ranging from 5.027% to 6.27%, depending on maturity. Annual principal payments on Tobacco Settlement Bonds are dependent on tobacco settlement revenue received, therefore, the current portion considered payable as of December 31, 2018 is not determinable. The stated maturity date for the bonds is June 1, 2043; the bonds must be paid in full by this date in order to avoid an event of default.

The following table summarizes changes in the bonds payable – business-type activities for the year ended December 31, 2018:

Description	Maturity Date	Interest Rates	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
RTASC:						
2001 Tobacco Settlement Bonds	2043	4.625-5.75%	\$ 32,684,999	\$ -	\$ 2,060,000	\$ 30,624,999
2005 Subordinate Turbo CABs			56,047,540	3,804,009	-	59,851,549
			88,732,539	3,804,009	2,060,000	90,476,548
RSTASC:						
2003 Tobacco Settlement Bonds	2043	5.027-6.27%	3,155,000	-	510,000	2,645,000
			91,887,539	3,804,009	2,570,000	93,121,548
Less: Unamortized bond discounts			(1,020,585)	-	(36,958)	(983,627)
			<u>\$ 90,866,954</u>	<u>\$ 3,804,009</u>	<u>\$ 2,533,042</u>	<u>\$ 92,137,921</u>

Interest expenditures/expense of \$15,493,563, \$193,938 and \$156,208, were recorded in the fund financial statements in the Debt Service Fund, Community Development Fund and Internal Service Fund, respectively. Interest expense of \$15,426,058 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$5,700,411 and \$182,068 was recorded in the fund financial and government-wide financial statements for the business-type activities for RTASC and RSTASC, respectively.

The above general obligation bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County, except for the 2001, 2003 and 2006 RTASC and the RSTASC bonds. These bonds are the obligations of the RTASC and RSTASC and will be repaid from future tobacco revenues.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Indebtedness - Component Units

Community College

The following table summarizes changes in the College's (component unit) installment debt for the year ended December 31, 2018:

Description	Maturity Date	Interest Rates	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Lease-Purchase Debt						
Energy Maintenance System	10/2032	3.78%	\$ -	\$ 8,473,000	\$ -	\$ 8,473,000

The annual requirements to amortize the lease purchase debt as of August 31, 2018, including interest, are as follows:

Year Ending August 31,	Principal	Interest	Total
2019	\$ 574,221	\$ 320,279	\$ 894,500
2020	270,586	298,574	569,160
2021	1,392,197	288,346	1,680,543
2022	356,433	235,721	592,154
2023	381,750	222,247	603,997
2024-2028	2,332,065	874,026	3,206,091
2028-2032	3,165,748	372,992	3,538,740
	<u>\$ 8,473,000</u>	<u>\$ 2,612,185</u>	<u>\$ 11,085,185</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Solid Waste Management Authority

The following table summarizes changes in the Authority's (component unit) bonds payable for the year ended December 31, 2018:

Description	Maturity Date	Interest Rates	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
General Obligation Bonds:						
2008 Series	12/2033	5.375-6.50%	\$ 18,930,000	\$ -	\$ 18,930,000	\$ -
2010 Series	12/2024	3.25-4.00%	6,620,000	-	575,000	6,045,000
2014 Series	12/2028	3.18%	5,175,000	-	370,000	4,805,000
2018 Series	12/2023	3.00-5.00%	-	14,950,000	305,000	14,645,000
			30,725,000	14,950,000	20,180,000	25,495,000
EFC Revenue Bonds:						
2012 Series	12/2026	5.019-6.189%	7,425,000	-	650,000	6,775,000
2013 Series	11/2029	1.503-4.083%	2,450,000	-	180,000	2,270,000
			40,600,000	14,950,000	21,010,000	34,540,000
Unamortized bond discounts			(633,223)	-	(602,939)	(30,284)
Unamortized bond premiums			492	1,430,511	98,342	1,332,661
			<u>\$ 39,967,269</u>	<u>\$ 16,380,511</u>	<u>\$ 20,505,403</u>	<u>\$ 35,842,377</u>

At the option of the Authority, the serial bonds are subject to redemption prior to maturity at various dates, depending on the issue.

Future debt service payments on the Authority's bonds payable were as follows for years ending after December 31, 2018:

Year Ending December 31,	Principal	Interest *	Total
2019	\$ 3,865,000	\$ 1,320,540	\$ 5,185,540
2020	4,015,000	1,184,282	5,199,282
2021	4,210,000	1,019,201	5,229,201
2022	5,140,000	843,275	5,983,275
2023	5,380,000	620,758	6,000,758
2024-2029	11,930,000	106,112	12,036,112
	<u>\$ 34,540,000</u>	<u>\$ 5,094,168</u>	<u>\$ 39,634,168</u>

* Future interest payments are reported net of EFC interest subsidies and refunding benefits.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Compensated Absences

Under the terms of existing collective bargaining agreements, certain employees of the primary government may accumulate sick leave. Upon separation of service, employees, depending on the criteria defined in the contract, are compensated for accumulated leave in excess of 165 days. The primary government is also obligated to pay employees accrued vacation pay up to a maximum of 50 days, depending upon the contract.

The College, effective September 1, 2005, modified the sick leave buyout plan for the administrative class of employees. The plan provides that, at the termination of their employment, those employees hired before August 31, 2005 may receive payment of twenty-five percent of up to 200 days of their accumulated sick leave and for those hired after August 31, 2005 may receive twenty percent of up to 200 days. All administrators may receive up to 50 days of accumulated paid vacation at termination. Exempt employees may receive payment of twenty-five percent of up to 200 days of their accumulated sick leave and may receive up to 50 days of accumulated paid vacation at termination. Faculty upon retirement may receive twenty percent of up to 200 days of their accumulated sick leave. CSEA employees upon retirement may receive up to 50 days of accumulated vacation plus holiday accruals. Compensation time accrued within 18 months is paid in full. Sick time is based on years of service. Up to 30 years of service the employee receives fifty percent of sick days over 165 up to a maximum of 180 days. Over 30 years the maximum rises to 200 days. Employees are paid at their current hourly rate. At August 31, 2018, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated \$3,582,080.

Unused vacation time of the Authority's employees may be carried forward to subsequent years. Unused personal time is added to sick leave, which may be taken at any time. The Authority has accrued a liability for accumulated vacation and sick leave at December 31, 2018 which is included in accrued liabilities of the Authority.

The employees of the Agency may accumulate vacation leave. Upon separation of service, these employees are compensated up to a maximum of 50 days. The liability for the Agency was deemed immaterial.

The District does not incur eligible salaries and, therefore, does not have a liability for compensated absences.

Claims Payable

The Internal Service funds reflect workers' compensation benefit liabilities, general liability claims liabilities and unemployment benefit liabilities, which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported ("IBNRs"). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

An analysis of the activity of unpaid claim liabilities is as follows for the year ended December 31, 2018:

	<u>Claims Payable</u>
Balance, Beginning of Year	\$ 26,166,572
Provision for Claims and Claims Adjustment Expenses	6,242,121
Claims and Claims Adjustment Expenses Paid	<u>(4,829,789)</u>
Balance, End of Year	<u>\$ 27,578,904</u>
Due Within One Year	<u>\$ 2,757,891</u>

Pension Plans

New York State and Local Retirement System ("ERS")

The County and, certain of its component units, participates in the ERS. This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The County also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The ERS is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% depending on salary levels for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

At December 31, 2018, the County and its component units reported liabilities as follows for their proportionate share of the net pension liability:

Primary Government:

Governmental Activities	\$16,314,841
-------------------------	--------------

Component Units:

College	952,819
---------	---------

Authority	245,073
-----------	---------

The net pension liability was measured as of March 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County and its component units' proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

At December 31, 2018, the County and its component units' proportions were as follows:

Primary Government:	
Governmental Activities	0.5350253%
Component Units:	
College	0.0295220%
Authority	0.0075934%

For the year ended December 31, 2018, the County recognized pension expense in the government-wide financial statements of \$5,651,414 for governmental activities. Pension expenditures of \$18,829,103 were recorded in the fund financial statements and were charged to the following funds for the year ended December 31, 2018:

General Fund	\$16,194,233
County Road Fund	1,201,580
Road Machinery Fund	115,060
Sewer Fund	<u>1,318,230</u>
	<u>\$18,829,103</u>

For the year ended December 31, 2018, the College (component unit) and the Authority (component unit) recognized pension expense of \$2,083,818 and \$346,888, respectively.

At December 31, 2018, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 5,818,975	\$ 4,808,582
Changes of assumptions	10,818,087	-
Net difference between projected and actual investment earnings on pension plan investments	23,696,014	46,773,555
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,364,100	3,173,696
Employer contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
	<u>\$ 44,697,176</u>	<u>\$ 54,755,833</u>

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

At December 31, 2018, the College and the Authority (component units) reported deferred outflows or resources and deferred inflows of resources related to pensions from the following

	College		Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 339,840	\$ 280,831	\$ 87,410	\$ 72,232
Changes of assumptions	631,798	-	162,504	-
Net difference between projected and actual investment earnings on pension plan investments	-	1,347,774	355,949	702,608
Changes in proportion and differences between employer contributions and proportionate share of contributions	254,872	185,350	131,185	2,770
Employer contributions subsequent to the measurement date	1,066,032	-	267,354	-
	<u>\$ 2,292,542</u>	<u>\$ 1,813,955</u>	<u>\$ 1,004,402</u>	<u>\$ 777,610</u>

The amounts reported as deferred outflows of resources related to ERS resulting from accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

Year Ended December 31,	Governmental Activities	College	Authority
2019	\$ 4,013,098	\$ 234,373	\$ 103,069
2020	3,096,903	180,865	75,183
2021	(11,717,815)	(684,344)	(151,514)
2022	(5,450,843)	(318,339)	(67,300)
	<u>\$ (10,058,657)</u>	<u>\$ (587,445)</u>	<u>\$ (40,562)</u>

ERS Actuarial Assumptions

The total pension liability for the March 31, 2018 measurement date was determined by using an actuarial valuation as of April 1, 2017, with update procedures used to roll forward the total pension liabilities to March 31, 2018. Significant actuarial assumptions used in the April 1, 2017 valuation were as follows:

Inflation	2.5%
Salary scale	3.8% indexed by service
Investment rate of return	7.0% compounded annually, net of investment expenses
Cost of living adjustments	1.3% annually

Annuitant mortality rates are based on the April 1, 2010 – March 31, 2015 ERS's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the April 1, 2017 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class are summarized below:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	4.55 %
International equity	6.35
Private equity	7.50
Real estate	5.55
Absolute return strategies	3.75
Opportunistic portfolio	5.68
Real assets	5.29
Bonds and mortgages	1.31
Cash	(0.25)
Inflation-indexed bonds	1.25

The real rate of return is net of the long-term inflation assumption of 2.50%.

The discount rate used to calculate the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at the statutorily required rates, actuarially determined. Based upon those assumptions, the ERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the County and its component units' proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the County and its component units' proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate.

	<u>1% Decrease (6%)</u>	<u>Current Assumption (7%)</u>	<u>1% Increase (8%)</u>
Governmental activities' proportionate share of the net pension liability (asset)	<u>\$ 123,442,389</u>	<u>\$ 16,314,841</u>	<u>\$ (74,310,806)</u>
College's proportionate share of the net pension liability (asset)	<u>\$ 7,209,287</u>	<u>\$ 952,819</u>	<u>\$ (4,339,903)</u>
Authority's proportionate share of the net pension liability (asset)	<u>\$ 1,854,290</u>	<u>\$ 245,073</u>	<u>\$ (1,116,260)</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

The components of the collective net pension liability of ERS as of the March 31, 2018 measurement date were as follows (amounts are in thousands):

Total pension liability	\$ 183,400,590
Fiduciary net position	<u>(180,173,145)</u>
Employers' net pension liability	<u>\$ 3,227,445</u>
ERS fiduciary net position as a percentage of total pension liability	<u>98.24%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the ERS's fiscal year, which is March 31. Retirement contributions as of December 31, 2018 represent the employer contribution for the period from April 1, 2018 through December 31, 2018 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2018 were \$20,835,739 for governmental activities.

Pension Plans – Component Units

Teachers' Retirement System

The College (component unit) participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten-member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12111-2395.

The TRS is noncontributory, except for employees who joined after July 27, 1976 who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% depending on salary levels for their entire length of service. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rate for the plan's year ended in 2018 was 9.80%

At August 31, 2018, the College reported an asset of \$761,806 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At August 31, 2018, the College's proportion was 0.042129%, which was an increase from its proportion of 0.041707 at August 31, 2017.

For the year ended August 31, 2018, the College recognized pension expense of \$428,215.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

At August 31, 2018, the College reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 569,291	\$ 103,121
Changes of assumptions	2,663,011	-
Net difference between projected and actual investment earnings on pension plan investments	-	845,663
Changes in proportion and differences between employer contributions and proportionate share of contributions	225,601	516,334
Employer contributions subsequent to the measurement date	<u>125,208</u>	<u>-</u>
	<u>\$ 3,583,111</u>	<u>\$ 1,465,118</u>

\$125,208 reported as deferred outflows of resources related to pensions resulting from the College's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2019.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>August 31,</u>	
2019	\$ 714,568
2020	469,414
2021	5,659
2022	467,619
2023	265,135
Thereafter	<u>70,390</u>
	<u>\$ 1,992,785</u>

TRS Actuarial Assumptions

The total pension liability at the June 30, 2018 measurement date was determined by using an actuarial valuation as of June 30, 2017, with update procedures used to roll forward the total pension liability to June 30, 2018. Total pension liability at the June 30, 2017 measurement date, was determined by an actuarial valuation as of June 30, 2016, with update procedures used to roll forward the total pension liability to June 30, 2017. These actuarial valuations used the following actuarial assumptions:

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Inflation	2.25%										
Salary scale	Rates of increase differ based on age and gender. They have been calculated based upon recent TRS member experience.										
	<table> <tr> <th>Service</th><th>Rate</th></tr> <tr> <td>5</td><td>4.72%</td></tr> <tr> <td>15</td><td>3.46%</td></tr> <tr> <td>25</td><td>2.37%</td></tr> <tr> <td>35</td><td>1.90%</td></tr> </table>	Service	Rate	5	4.72%	15	3.46%	25	2.37%	35	1.90%
Service	Rate										
5	4.72%										
15	3.46%										
25	2.37%										
35	1.90%										
Projected COLAs	1.5% compounded annually										
Investment rate of return	7.25% compounded annually, net of pension plan investment expense, including inflation										

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on the Society of Actuaries Scale MP-2014, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice ("ASOP") No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of the June 30, 2018 valuation date is summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equities	33 %	5.8 %
International Equities	16	7.3
Global Equities	4	6.7
Real Estate Equities	11	4.9
Private Equities	8	8.9
Domestic Fixed Income Securities	16	1.3
Global Fixed Income Securities	2	9.0
Private Debt	1	6.8
Real Estate Debt	7	2.8
High-Yield Fixed Income Securities	1	3.5
Short-Term	1	0.3
	<u>100 %</u>	

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

The discount rate used to calculate the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, TRS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the College's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25%, as well as what the College's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Assumption (7.25%)	1% Increase (8.25%)
College's proportionate share of the net pension liability (asset)	<u>\$ 5,233,730</u>	<u>\$ (761,806)</u>	<u>\$ (5,784,399)</u>

The components of the collective net pension liability (asset) of TRS as of the June 30, 2018 measurement date were as follows:

Total pension liability	\$ 118,107,253,288
Fiduciary net position	<u>(119,915,517,622)</u>
Employers' net pension liability (asset)	<u>\$ (1,808,264,334)</u>
TRS fiduciary net position as a percentage of total pension liability	<u>101.53%</u>

Teachers' Insurance and Annuity Association College Retirement Equities Fund

The College participates in the Teachers' Insurance and Annuity Association College Retirement Equities Fund ("TIAA-CREF"). TIAA-CREF is a cost sharing multiple-employer defined contribution pension plan. TIAA-CREF provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. TIAA-CREF issues publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing the Teacher's Insurance and Annuity Association - College Retirement Equities Fund, 730 Third Avenue, New York, New York 10017.

TIAA-CREF is a privately operated defined contribution retirement plan which provides benefits to certain employees of the College. Under the plan, the College is required to make contributions based on gross salaries of the participant.

Soil and Water Conservation District

The Soil and Water Conservation District has no full-time employees and, therefore, does not contribute to a retirement plan.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Industrial Development Agency

The Industrial Development Agency reported pension expense of \$16,207.

Other Postemployment Benefit Obligations Payable

In addition to providing pension benefits, the primary government and its College component unit provide certain health care benefits for retired employees through a single-employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government and its College component unit may vary according to length of service. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for these entities. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid.

The County of Rockland plan eligibility for post-employment healthcare plan is age 55 with five years of service. Upon reaching the age of 55, the employee is treated as a retiree. Retiree benefits continue for the life of the retiree. Spousal benefits continue until the death of the retiree, at which point only access to coverage is available. Surviving spouses are permitted to continue coverage under the plan after death of the retiree with a contribution of 100% of the premium, less the Medicare Part B reimbursement if the surviving spouse is Medicare eligible.

In accordance with GASB 75, the County has recognized its net OPEB liability measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The actuarial calculations of the OPEB plan reflect a long-term perspective.

GASB 75 requires that the actuarial present value of projected benefit payments be attributed to periods of employee service using the entry age actuarial cost method with each period's service cost determined as a level percentage of pay. The actuarial present value is required to be attributed for each employee individually, from the first period in which the employee provides service under the benefit terms, through the period in which the employee exits active service.

The County is required to accrue in the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the plan has been established on a pay-as-you-go basis.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

The assumed rate of increase in postretirement benefits is presented below:

Assumed pre-65 medical trend rates at December 31:

Health care cost trend rates assumed for next fiscal year	7.000%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	3.784%
Fiscal year that the rate reaches the ultimate trend rate	2075

Assumed post-65 medical trend rates at December 31:

Health care cost trend rates assumed for next fiscal year	5.000%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	3.784%
Fiscal year that the rate reaches the ultimate trend rate	2075

Assumed prescription drug trend rates at December 31:

Health care cost trend rates assumed for next fiscal year	9.500%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	3.784%
Fiscal year that the rate reaches the ultimate trend rate	2075

Assumed Medicare Part B trend rates at December 31:

Health care cost trend rates assumed for next fiscal year	4.600%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	3.784%
Fiscal year that the rate reaches the ultimate trend rate	2075

The actuarial methods and assumptions used for the December 31, 2018 measurement date were as follows:

Valuation date	January 1, 2017
Rate of compensation increase	2.00%
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Pay
Discount rate:	
As of January 1, 2018	3.31%
As of December 31, 2018	3.71%

The actuarial cost method was changed to the Entry Age Normal Level Percent of Pay method as required by GASB 75. In prior years, the Projected Unit Credit cost method was used. The revised cost method resulted in an increase in total OPEB liability and a decrease in service cost.

The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond index. Previously, the discount rate had been based on the expected rate of return on the County's general assets.

Mortality was based on the sex-distinct RP-2014 Mortality Tables for employees and healthy annuitants, adjusted backward to 2006 with scale MP-2014, and then adjusted for mortality improvements with scale MP-2017 mortality improvement scale on a fully generational basis. This assumption was based on a review of published mortality tables and the demographics of the plan.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

The number of participants as of the January 1, 2017 valuation date was as follows:

Active employees	1,523
Retired employees and dependents	<u>2,205</u>
	<u><u>3,728</u></u>

The County's total OPEB liability of \$748,063,655 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2017. The changes in the total OPEB liability are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Total OPEB liability, beginning of year (as previously stated)	\$ 383,962,218	\$ 25,362,556	\$ 409,324,774
Effect of adoption of GASB 75	<u>418,753,512</u>	<u>25,641,019</u>	<u>444,394,531</u>
Total OPEB liability, beginning of year (as restated)	<u>802,715,730</u>	<u>51,003,575</u>	<u>853,719,305</u>
Service cost	16,068,707	939,246	17,007,953
Interest cost	26,669,841	1,694,627	28,364,468
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions or other inputs	(115,872,128)	(7,566,562)	(123,438,690)
Benefit payments	<u>(26,098,104)</u>	<u>(1,491,277)</u>	<u>(27,589,381)</u>
Net change in total OPEB liability	<u>(99,231,684)</u>	<u>(6,423,966)</u>	<u>(105,655,650)</u>
Total OPEB liability - end of year	<u><u>\$ 703,484,046</u></u>	<u><u>\$ 44,579,609</u></u>	<u><u>\$ 748,063,655</u></u>

The following presents the County's total OPEB liability calculated using the discount rate of 3.71%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.71%) or one percentage point higher (4.71%) than the current discount rate as well as the effect of a 1% change in the healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Discount rate	\$ 863,562,851	\$ 748,063,655	\$ 654,636,566
Healthcare cost trend rates	625,008,976	748,063,655	915,092,225

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

For the year ended December 31, 2018, the County recognized OPEB expense of \$13,469,819 for its governmental funds as follows:

General Fund	\$ 11,502,630
County Road Fund	750,148
Road Machinery Fund	116,725
Sewer Fund	<u>1,100,316</u>
	<u><u>\$ 13,469,819</u></u>

For the year ended December 31, 2018, the County recognized OPEB expense of \$562,610 for its internal service funds as follows:

General Services Fund	\$ 580,396
Workers' Compensation Fund	<u>(17,786)</u>
	<u><u>\$ 562,610</u></u>

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	92,098,698
Differences in investment experience	<u>-</u>	<u>-</u>
	<u><u>\$ -</u></u>	<u><u>\$ 92,098,698</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2019	\$31,322,233
2020	31,292,123
2021	26,972,784
2022	1,668,222
2023	<u>843,336</u>
	<u><u>\$92,098,698</u></u>

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Other Postemployment Benefit Obligations Payable – Component Units

Rockland Community College

The College provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the College may vary according to length of service. The cost of providing postemployment health care benefits is shared between the College and the retired employee. Substantially all of the College's employees may become eligible for those benefits if they reach normal retirement age while working for the College. The College's plan is considered a single employer defined benefit plan for financial reporting purposes. The plan is not a separate entity or trust and does not issue stand-alone financial statements.

The benefit terms are dependent on which bargaining unit or employment contract each employee falls under. The specifics of each contract are on file at the College offices and are available upon request.

At August 31, 2018, the following employees were covered by the benefit terms:

Active employees	385
Inactive employees or beneficiaries currently receiving payments	<u>363</u>
	<u><u>748</u></u>

The College's total OPEB liability of \$140,529,875 was measured as of December 31, 2017 and was determined by an actuarial valuation as of January 1, 2017. The changes in the OPEB liability are as follows:

Net OPEB liability, beginning of year (as previously stated)	\$ 61,442,421
Effect of adoption of GASB 75	<u>64,501,180</u>
Net OPEB liability, beginning of year (restated)	<u>125,943,601</u>
Changes in net OPEB liability:	
Service cost	3,657,929
Interest	4,863,822
Differences between expected and actual experience	-
Changes in assumptions	9,948,849
Benefit payments	<u>(3,884,326)</u>
Net OPEB liability, end of year	<u><u>\$ 140,529,875</u></u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

The total OPEB liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Payroll growth	2.00%
Discount rate	3.31%
Healthcare cost trend	7.0% for 2019, decreasing to an ultimate rate of 3.886% in 2075.

The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond Index.

Mortality was based on the sex-distinct RP-2014 Mortality Tables for employees and healthy annuitants, adjusted backward to 2006 with scale MP-2014, and then adjusted for mortality improvements with scale MP-2017 mortality improvement scale on a fully generational basis. This assumption was based on a review of published mortality tables and the demographics of the plan.

The following presents the College's total OPEB liability calculated using the discount rate of 3.31%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.31%) or one percentage point higher (4.31%) than the current discount rate as well as the effect of a 1% change in the healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Discount rate	\$ 164,072,466	\$ 140,529,875	\$ 121,648,743
Healthcare cost trend rate	116,110,586	140,529,875	173,287,536

For the year ended August 31, 2018, the College recognized OPEB expense of \$6,657,086. At August 31, 2018, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,929,188	\$ -
Changes of assumptions or other inputs	-	-
Differences in investment experience	-	-
	<u>\$ 7,929,188</u>	<u>\$ -</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended August 31,		
2019	\$	2,019,661
2020		2,019,661
2021		2,019,661
2022		<u>1,870,205</u>
	<u>\$</u>	<u>7,929,188</u>

Other Postemployment Benefit Obligations - Solid Waste Authority

In addition to providing pension benefits, the Authority provides certain health care benefits for retired employees through a single employer defined benefit plan. The employee handbook stipulates the employees covered and the percentage of contribution. The cost of providing postemployment health care benefits is shared between the Authority and the retired employee. Substantially all of the Authority's employees may become eligible for those benefits if they have a minimum of five years of service and reach normal retirement age while working for the Authority.

A summary of active employees and retired employees covered under this benefit plan as of December 31, 2018 is as follows:

Active employees	33
Retirees	<u>1</u>
	<u>34</u>

The contribution requirements of benefit plan members and the Authority are established pursuant to applicable collective bargaining and employment agreements. The required rates of the employer and the members may vary depending on the applicable agreement. The Authority is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the year ended December 31, 2018, the Authority paid \$26,954 on behalf of the plan members, respectively. The benefit plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the benefit plan.

The total OPEB liability as of December 31, 2018 was determined using the following actuarial assumptions:

Valuation date	January 1, 2018
Actuarial cost method	Entry Age Normal - Level Percent of Pay
Discount rate	3.80%
Salary increases	3.00%
Mortality	MP-2015 applied on a generational basis.
Healthcare cost trend	Society of Actuaries Long Run Medical Cost Trend Model

The discount rate used to measure the liability was 3.80%, based on the Bond Buyer 20-year general obligation bond index.

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

At December 31, 2018, the Authority reported a liability of \$7,088,643 for its OPEB liability. For the year ended December 31, 2018, the Authority recognized OPEB expense of \$224,255.

The changes in the OPEB liability are as follows:

Net OPEB liability, beginning of year (as previously stated)	\$ 5,416,902
Effect of adoption of GASB 75	<u>1,222,649</u>
Net OPEB liability, beginning of year (restated)	<u>6,639,551</u>
Changes in net OPEB liability:	
Service cost	224,255
Interest	251,791
Changes in assumptions	(26,954)
Benefit payments	<u>-</u>
Net OPEB liability, end of year	<u><u>\$ 7,088,643</u></u>

The following presents the Authority total OPEB liability calculated using the discount rate of 3.80%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.80%) or one percentage point higher (4.80%) than the current discount rate as well as the effect of a 1% change in the healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Discount rate	\$ 9,727,526	\$ 7,088,643	\$ 5,312,965
Healthcare cost trend rate	5,203,688	7,088,643	10,101,186

H. Significant Commitments - Encumbrances

As discussed in Note 3A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2018, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 4,726,530
Non-Major Governmental Funds	<u>3,100,276</u>
	<u><u>\$ 7,826,806</u></u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

I. Revenues and Expenditures

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers in within the statement of revenues, expenditures and changes in fund balance for the year ended December 31, 2018:

Transfers In	Transfers Out			Total
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	
Governmental Activities				
General Fund	\$ -	\$ 1,062,017	\$ 2,370,000	\$ 3,432,017
Non-Major Governmental Funds	58,333,360	3,805,155	12,520,508	74,659,023
	<u>\$ 58,333,360</u>	<u>\$ 4,867,172</u>	<u>\$ 14,890,508</u>	<u>\$ 78,091,040</u>

Transfers are used to 1) move funds from the General Fund finance various capital projects and programs accounted for in other fund and the Enterprise Fund, 2) to move amounts earmarked in the operating funds to fulfill commitments for Debt Service fund expenditures and 3) to move in excess funds from the various funds to the General Fund.

J. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Capital Projects - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

Restricted for Law Enforcement - the component of net position that represents the unexpended balance of the forfeiture of seized crime properties to be used pursuant to a State directive in the subsequent fiscal year for law enforcement purposes.

Restricted for Section 8 Housing - the component of net position that reports the difference between assets and liabilities of the Section 8 Housing department which is used to account for resources received and used for housing assistance payments.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities of the Debt Service Fund with constraints placed on their use by Local Finance Law.

Restricted for Student Loans - the component of net position that has been established to set aside funds to provide loans to students, pursuant to grant agreements.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Restricted for Environmental Programs - the component of net position that represents funds restricted for a specific purpose under the granting agency and in accordance with the policy of the New York State Soil and Water Conservation Law.

Restricted for Scholarships and Student Services - the component of net position that has been established through external restrictions imposed by contributors.

Restricted for Permanent Endowments - the component of net position that has been established through external restrictions imposed by contributors.

Restricted for Community Development - the component of net position that has been established to set aside funds for Community Development, pursuant to grant agreements.

Restricted for Sewer - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

Restricted for Trusts - the component of net position that reports the difference between assets and liabilities of certain programs with constraints placed on their use by either external parties and/or statute.

Unrestricted - all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

K. Fund Balance

Fund balances as presented in the governmental funds balance sheet were as follows as of December 31, 2018:

	2018		
	General Fund	Capital Projects Fund	Non-Major Governmental Funds
			Total
Nonspendable			
Prepaid expenditures	\$ -	\$ -	\$ -
Long-term receivable	8,161,617	-	8,161,617
Total Nonspendable	8,161,617	-	8,161,617
Restricted			
Law enforcement	2,957,361	-	2,957,361
Section 8	163,295	-	163,295
E911	1,707,912	-	1,707,912
Trusts	-	-	24,193
Debt Service	805,784	-	18,410,852
Capital Projects	-	93,321,140	-
Total Restricted	5,634,352	93,321,140	18,435,045
Committed			
Designated for treatment plant and development	-	-	2,277,374
Assigned			
Purchases on order:			
General Government Support	3,932,664	-	3,932,664
Public Safety	763,991	-	763,991
Health	8,098	-	8,098
Transportation	4,342	-	399,611
Economic opportunity and development	16,797	-	-
Home and community services	638	-	3,019,173
	4,726,530	-	3,418,784
Subsequent year's expenditures	1,535,500	-	8,681,095
Transportation projects	-	3,468,611	-
Road Machinery Fund	-	-	698,137
Sewer Fund	-	-	17,110,033
Total Assigned	6,262,030	3,468,611	29,908,049
Unassigned			
Unassigned	32,294,051	-	-
Total Unassigned	32,294,051	-	-
Total Fund Balances (Deficits)	\$ 52,352,050	\$ 96,789,751	\$ 50,620,468

COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Fund balances as presented in the governmental funds balance sheet were as follows as of December 31, 2017:

	2017			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable				
Prepaid expenditures	\$ 6,379,565	\$ -	\$ 680,410	\$ 7,059,975
Long-term receivable	8,396,527	-	-	8,396,527
Total Nonspendable	<u>14,776,092</u>	<u>-</u>	<u>680,410</u>	<u>15,456,502</u>
Restricted				
Law enforcement	3,079,532	-	-	3,079,532
Section 8	211,568	-	-	211,568
E911	1,651,424	-	-	1,651,424
Trusts	-	-	24,015	24,015
Debt Service	1,341,287	-	11,058,413	12,399,700
Capital Projects	-	62,482,371	-	62,482,371
Total Restricted	<u>6,283,811</u>	<u>62,482,371</u>	<u>11,082,428</u>	<u>79,848,610</u>
Committed				
Designated for treatment plant and development	<u>-</u>	<u>-</u>	<u>1,560,191</u>	<u>1,560,191</u>
Assigned				
Purchases on order:				
General Government Support	489,410	-	-	489,410
Public Safety	1,093,814	-	-	1,093,814
Health	1,944,626	-	-	1,944,626
Transportation	74,565	-	69,098	143,663
Economic opportunity and development	524,215	-	-	524,215
Home and community services	-	-	4,248,284	4,248,284
	<u>4,126,630</u>	<u>-</u>	<u>4,317,382</u>	<u>8,444,012</u>
Subsequent year's expenditures	1,358,980	-	5,696,885	7,055,865
Transportation projects	-	2,223,657	-	2,223,657
Road Machinery Fund	-	-	620,173	620,173
Sewer Fund	-	-	16,584,597	16,584,597
Total Assigned	<u>5,485,610</u>	<u>2,223,657</u>	<u>27,219,037</u>	<u>34,928,304</u>
Unassigned				
Unassigned	<u>6,257,861</u>	<u>-</u>	<u>(13,020)</u>	<u>6,244,841</u>
Total Unassigned	<u>6,257,861</u>	<u>-</u>	<u>(13,020)</u>	<u>6,244,841</u>
Total Fund Balances (Deficits)	<u>\$ 32,803,374</u>	<u>\$ 64,706,028</u>	<u>\$ 40,529,046</u>	<u>\$ 138,038,448</u>

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 – DETAILED NOTES ON ALL FUNDS (Continued)

Prepaid Expenditures has been established to account for employee retirement and other payments made in advance. The reserve indicates that these funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Long-Term Receivable represent funds set aside to indicate the long-term nature of taxes receivable collected for other governments. These funds are not "available" for appropriation or expenditure even though they are a component of fund balance.

Assigned - This assignment of fund balance represents surplus monies received for transportation and sewer projects, which are to be used to fund transportation and sewer capital project costs.

Transportation Projects – This assignment of fund balance represents surplus monies received for transportation projects, which are to be used to fund transportation capital project costs.

Treatment Plant and Development - This commitment, established by the County Legislature, represents collected assessment fees to be used for future expansion and/or upgrade of the Treatment Plant and Collection System.

Purchases on order are assigned and represent the County's intention to honor contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent Year's Expenditures - Sewer District and Debt Service Funds. At December 31, 2018, the County Legislature has utilized \$2,604,795 of the fund balance of the Sewer District Fund and \$6,076,300 of the fund balance of the Debt Service Fund to be appropriated for the ensuing year's budget.

Unassigned

Purchases on order and amounts designated for subsequent years budget in the General Fund are reflected within unassigned fund balance to indicate that the County cannot assign fund balance when an unassigned deficit exists.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The County is a party to lawsuits involving claims of personal injury, wrongful death, negligence, property disputes, breach of contract and civil rights violations. The County is self-insured for general liability claims to the extent disclosed below. The County Attorney has indicated that he is not aware of any such action which would have a significant adverse impact on the County's financial condition.

The County receives numerous notices of claims for damages occurring generally from alleged negligence and civil rights violations. The filing of such notice of claim commences a statutory period for initiating judicial action. The County Attorney has indicated that he is not aware of any such action which would have a significant adverse impact on the County's financial condition.

The County is defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year payments are made.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 5 – COMMITMENTS AND CONTINGENCIES (Continued)

B. Risk Management

Liability Claims

The County is currently self-insured for general liability, property damage and medical malpractice claims. In addition, the County maintains a commercial insurance policy, with coverage up to \$40 million. The County claims administrator has reviewed the status of all incurred and incurred but not reported cases and believes that the amounts accrued within the Internal Service Funds are sufficient. Conventional insurance is not purchased for catastrophic losses.

Workers' Compensation

The County, as the predominant entity, and certain towns and villages within the County are participants in a County-wide workers' compensation program. Premiums are assessed on each participant based upon a formula involving payroll and the actual historical claims experience of such participant. Costs relating to the litigation of claims are charged to expenses as incurred. The County has secured conventional insurance coverage for individual losses in excess of \$1,000,000. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Unemployment Benefits

The County is self-insured for claims arising from unemployment benefit cases.

Component Units

Rockland County Community College

The College is one of six participants in the Rockland County Workers' Compensation Self Insurance Plan, a risk sharing pool, administered by the County, to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to workers' compensation claims. The College is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets and natural disasters. These risks are covered by a County-wide self-insurance program supplemented by commercial insurance purchased by the County that extends coverage to the College. The self-insured retention under these policies is \$1,150,000.

Soil and Water Conservation District

The County provides insurance for the district's general liability and auto liability policies.

Solid Waste Management Authority

The Authority purchases various conventional insurance coverages to reduce its exposure to loss. The Authority maintains general liability insurance coverage with a policy limit of \$3 million. The auto policy provides coverage up to \$1 million and the pollution liability policy provides coverage up to \$10 million. The Authority also maintains an umbrella policy with coverage up to \$10 million. The Authority purchases conventional workers' compensation insurance with coverage at statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Authority also purchases conventional health insurance.

**COUNTY OF ROCKLAND, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 5 – COMMITMENTS AND CONTINGENCIES (Continued)

C. Contingencies

The County and the College participate in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Single Audit Act. This audit is currently in process and the report will be issued under separate cover. Accordingly, the County and the College's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the entities anticipate such amounts, if any, to be immaterial.

In July 2014, the County selected a potential purchaser (the "purchaser") to purchase Summit Park Nursing Care Center. The County and the purchaser were unable to complete the sale. In December 2015, a claim was filed against the County by the purchaser that claimed breach of contract by the County. The claim from the purchaser is requesting that the escrow provided for the sale by the purchaser be returned as well as additional monetary fees for damages caused by the County. The County has not recorded a liability for this contingency.

D. Cash and Investment Restrictions

Upon issuance of the serial bonds, the indentures for the Authority required establishment of a restricted cash balance of \$3,692,240 in 2018, which is maintained with the trustee of the bonds. In addition, at December 31, 2018, the trustee held \$3,889,139 for the purchase and construction of facilities and \$207,702 of other funds to be used for debt service. These amounts, totaling \$7,789,081 for 2018, have been reflected as restricted cash and cash equivalents and investments in the statement of net position.

E. Debt Covenants

At December 31, 2018, the Authority was in compliance with the debt and revenue ratios required under the covenants of the seven bonds outstanding at that date.

NOTE 6 – TAX ABATEMENT AGREEMENTS

The County, through the Agency, to attract and/or maintain companies in the County, has the ability to induce developers with real estate tax, sales tax and/or mortgage tax abatements as part of a payment in lieu of taxes ("PILOT"). The Agency is authorized to enter into PILOT agreements under Real Property Tax Law, Section 412-a and General Municipal Law, Section 874. The total tax abatement for the year ended December 31, 2018 was \$427,949, which contained several amounts that were determined not to be material.

NOTE 7 – SUBSEQUENT EVENTS

In June 2019, the County issued various purpose serial bonds in the amount of \$46,215,000. The bonds mature annually through 2049 with interest rates ranging from 3% to 5%, depending on maturity. In addition, the County issued refunding serial bonds in the amount of \$15,810,000. The refunding bonds mature annually through 2027 with interest rates ranging from 4% to 5%, depending on maturity.

Also, on April 5, 2019, the County issued tax anticipation notes in the amount of \$55,000,000. The tax anticipation note matures on April 2, 2020 and bears interest of 3%.

**REQUIRED
SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

County of Rockland, New York

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)

Last Ten Fiscal Years (1)

	2018		
	Governmental Activities	Business-Type Activities	Total Primary Government
Total OPEB liability - beginning of year (4)	\$ 802,715,730	\$ 51,003,575	\$ 853,719,305
Service cost	16,068,707	939,246	17,007,953
Interest cost	26,669,841	1,694,627	28,364,468
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions or other inputs (3)	(115,872,128)	(7,566,562)	(123,438,690)
Benefit payments	(26,098,104)	(1,491,277)	(27,589,381)
Net change in total OPEB liability	(99,231,684)	(6,423,966)	(105,655,650)
Total OPEB liability - end of year (2)	\$ 703,484,046	\$ 44,579,609	\$ 748,063,655
Covered employee payroll	\$ 107,360,249	\$ 7,722,074	\$ 115,082,323
Total OPEB liability as a percentage of covered employee payroll	655%	577%	650%

NOTES TO THE SCHEDULE:

(1) Information for years prior to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is unavailable.

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

(3) The actuarial cost method was changed to the Entry Age Normal Level Percent of Pay method as required by GASB 75. In prior years, the Projected Unit Credit cost method was used. The revised cost method resulted in an increase in total OPEB liability and a decrease in service cost.

The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond index. Previously, the discount rate had been based on the expected rate of return on the County's general assets.

(4) The total OPEB liability at the beginning of the year represents the restated total OPEB liability after the adoption of GASB Statement No. 75.

County of Rockland, New York

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios - College (Component Unit) (Unaudited)

Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB liability - beginning of year (4)	<u>\$ 125,943,601</u>
Service cost	3,657,929
Interest cost	4,863,822
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs (3)	9,948,849
Benefit payments	<u>(3,884,326)</u>
Net change in total OPEB liability	<u>14,586,274</u>
Total OPEB liability - end of year (2)	<u><u>\$ 140,529,875</u></u>
Covered employee payroll	<u><u>\$ 29,913,069</u></u>
Total OPEB liability as a percentage of covered employee payroll	<u><u>470%</u></u>

NOTES TO THE SCHEDULE:

- (1) Information for years prior to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is unavailable.
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.
- (3) Actuarial assumptions were as follows:

	<u>2018</u>
Discount rate	3.31%
Healthcare cost trend rate:	
Initial rate	7.50%
Decreasing per year	Variable
Ultimate rate	3.89%
Ultimate rate year	2075

- (4) The total OPEB liability at the beginning of the year represents the restated total OPEB liability after the adoption of GASB Statement No. 75.

County of Rockland, New York

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios - Authority (Component Unit) (Unaudited)

Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB liability - beginning of year (3)	<u>\$ 6,639,551</u>
Service cost	224,255
Interest cost	251,791
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs (3)	(26,954)
Benefit payments	<u>-</u>
Net change in total OPEB liability	<u>449,092</u>
Total OPEB liability - end of year (2)	<u><u>\$ 7,088,643</u></u>
Covered employee payroll	<u><u>\$ 2,535,739</u></u>
Total OPEB liability as a percentage of covered employee payroll	<u><u>280%</u></u>

NOTES TO THE SCHEDULE:

- (1) Information for years prior to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is unavailable.
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.
- (3) The total OPEB liability at the beginning of the year represents the restated total OPEB liability after the adoption of GASB Statement No. 75.

County of Rockland, New York

Required Supplementary Information - Schedule of Contributions (Unaudited)
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

	2018				
	Governmental Activities	Business-Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Contractually required contribution	\$ 22,052,689	\$ -	\$ 22,052,689	\$ 1,599,000	\$ 356,472
Contributions in relation to the contractually required contribution	(22,052,689)	-	(22,052,689)	(1,599,000)	(356,472)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 127,217,968	-	\$ 127,217,968	\$ 11,220,000	\$ 2,488,501
Contributions as a percentage of covered payroll	17.33%	-	17.33%	14.25%	14.32%
	2017				
	Governmental Activities	Business-Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Contractually required contribution	\$ 27,880,071	\$ -	\$ 27,880,071	\$ 1,751,000	\$ 341,880
Contributions in relation to the contractually required contribution	(27,880,071)	-	(27,880,071)	(1,751,000)	(341,880)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 129,969,761	\$ -	\$ 129,969,761	\$ 11,829,000	\$ 2,309,259
Contributions as a percentage of covered payroll	21.45%	-	21.45%	14.80%	14.80%
	2016 (2)				
	Governmental Activities	Business-Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Contractually required contribution	\$ 27,880,071	\$ -	\$ 27,880,071	\$ 2,027,152	\$ 322,880
Contributions in relation to the contractually required contribution	(27,880,071)	-	(27,880,071)	(2,027,152)	(322,880)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 117,596,647	\$ -	\$ 117,596,647	\$ 10,976,860	\$ 2,108,204
Contributions as a percentage of covered payroll	23.71%	-	23.71%	18.47%	15.32%
	2015				
	Governmental Activities	Business-Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Contractually required contribution	\$ 24,781,740	\$ 5,412,290	\$ 30,194,030	\$ 2,234,313	\$ 344,675
Contributions in relation to the contractually required contribution	(24,781,740)	(5,412,290)	(30,194,030)	(2,234,313)	(344,675)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 119,879,978	\$ 25,935,453	\$ 145,815,431	\$ 11,158,893	\$ 1,993,476
Contributions as a percentage of covered payroll	20.67%	20.87%	20.71%	20.02%	17.29%

(A) Home and Infirmary Fund (Enterprise Fund)

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) In 2016, the County determined the Home and Infirmary Fund was no longer operating as an enterprise fund. Therefore, the Home and Infirmary Fund was closed and transferred to the General Fund.

County of Rockland, New York

Required Supplementary Information - Schedule of the
County's Proportionate Share of the Net Pension Liability (Unaudited)
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

	2018				
	Governmental Activities	Business- Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Proportion of the net pension liability (asset)	0.5350253%	-	0.5350253%	0.0295220%	0.0075934%
Proportionate share of the net pension liability (asset)	\$ 16,314,841	\$ -	\$ 16,314,841	\$ 952,819	\$ 245,073
Covered payroll	\$ 127,407,682	\$ -	\$ 127,407,682	\$ 11,220,000	\$ 2,488,501
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	12.81%	\$ -	12.81%	8.49%	9.85%
Plan fiduciary net position as a percentage of the total pension liability	98.24%	\$ -	98.24%	98.24%	98.24%
	2017				
	Governmental Activities	Business- Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Proportion of the net pension liability (asset)	0.5384303%	-	0.5384303%	0.0330030%	0.0069780%
Proportionate share of the net pension liability (asset)	\$ 16,314,841	\$ -	\$ 16,314,841	\$ 3,101,054	\$ 655,666
Covered payroll	\$ 129,969,761	\$ -	\$ 129,969,761	\$ 11,829,000	\$ 2,309,259
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	12.55%	\$ -	12.55%	26.22%	28.39%
Plan fiduciary net position as a percentage of the total pension liability	94.70%	\$ -	94.70%	94.70%	94.70%
	2016 (2)(3)				
	Governmental Activities	Business- Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Proportion of the net pension liability (asset)	0.5879002%	-	0.5879002%	0.0427460%	0.0067157%
Proportionate share of the net pension liability (asset)	\$ 94,481,233	\$ -	\$ 94,481,233	\$ 6,860,860	\$ 1,077,890
Covered payroll	\$ 117,596,647	\$ -	\$ 117,596,647	\$ 10,515,104	\$ 2,108,204
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	80.34%	\$ -	80.34%	65.25%	51.13%
Plan fiduciary net position as a percentage of the total pension liability	90.70%	\$ -	90.70%	90.70%	90.70%
	2015				
	Governmental Activities	Business- Type Activities (A)	Total Primary Government	Component Units	
				College	Solid Waste
Proportion of the net pension liability (asset)	0.5033461%	0.1099300%	0.6132761%	0.0453815%	0.0069737%
Proportionate share of the net pension liability (asset)	\$ 17,004,265	\$ 3,713,703	\$ 20,717,968	\$ 1,533,098	\$ 235,590
Covered payroll	\$ 124,270,918	\$ 27,134,068	\$ 151,404,986	\$ 11,015,678	\$ 1,993,476
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	13.68%	13.69%	13.68%	13.92%	11.82%
Plan fiduciary net position as a percentage of the total pension liability	97.90%	97.90%	97.90%	97.90%	97.90%

(A) Home and Infirmary Fund (Enterprise Fund)

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

- (1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.
- (2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7% effective with the March 31, 2016 measurement date.
- (3) In 2016, the County determined the Home and Infirmary Fund was no longer operating as an enterprise fund. Therefore, the Home and Infirmary Fund was closed and transferred to the General Fund.

County of Rockland, New York

Required Supplementary Information - Schedule of Contributions (Unaudited)
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 672,000	\$ 775,000	\$ 656,552	\$ 975,048
Contributions in relation to the contractually required contribution	<u>(672,000)</u>	<u>(775,000)</u>	<u>(656,552)</u>	<u>(975,048)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 6,862,000</u>	<u>\$ 6,609,000</u>	<u>\$ 6,393,539</u>	<u>\$ 5,562,170</u>
Contributions as a percentage of covered payroll	<u>9.79%</u>	<u>11.73%</u>	<u>10.27%</u>	<u>17.53%</u>

Note - The amounts presented in this table are for the College (component unit).

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards
Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

County of Rockland, New York

Required Supplementary Information - Schedule of the
County's Proportionate Share of the Net Pension Liability (Asset) (Unaudited)
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)

	2018	2017	2016 (2)	2015
Proportion of the net pension liability (asset)	<u>0.042129%</u>	<u>0.041707%</u>	<u>0.032087%</u>	<u>0.037028%</u>
Proportionate share of the net pension liability (asset)	<u>\$ (761,806)</u>	<u>\$ (317,011)</u>	<u>\$ 343,667</u>	<u>\$ (3,846,072)</u>
Covered payroll	<u>\$ 6,862,000</u>	<u>\$ 6,609,000</u>	<u>\$ 5,603,745</u>	<u>\$ 5,562,170</u>
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	<u>(11.10)%</u>	<u>(4.80)%</u>	<u>6.13%</u>	<u>(69.15)%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>101.53%</u>	<u>100.70%</u>	<u>99.01%</u>	<u>110.46%</u>

Note - The amounts presented in this table are for the College (component unit). The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 8% to 7.5% effective with the June 30, 2016 measurement date.

**SUPPLEMENTARY
INFORMATION -
COMBINING AND
INDIVIDUAL FUND
FINANCIAL STATEMENTS
AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

CAPITAL PROJECTS FUND

The Capital Projects Fund is utilized to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

County of Rockland, New York

General Fund
Comparative Balance Sheets
December 31,

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 75,484,443	\$ 38,695,395
Taxes receivable		
Tax liens	40,641,235	36,882,879
Tax installments	8,066,981	7,923,410
Returned school and village taxes	29,326,592	27,936,359
	78,034,808	72,742,648
Allowance for uncollectible taxes	(3,800,000)	(3,380,059)
	74,234,808	69,362,589
Other receivables		
Accounts, net of allowance for uncollectible amounts	41,006,098	40,072,322
State and Federal aid, net of allowance for uncollectible amounts	55,918,069	48,590,024
Due from other governments	8,000,434	8,115,054
	104,924,601	96,777,400
Prepaid expenditures	-	6,379,565
Total Assets	\$ 254,643,852	\$ 211,214,949
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 27,903,184	\$ 28,581,026
Accrued liabilities	29,684,856	7,551,000
Due to other governments	7,317,451	9,658,143
Due to school districts	57,804,571	55,112,624
Due to other funds	1,886,344	1,284,311
Unearned revenues	1,837,776	1,994,325
Tax anticipation note payable	60,000,000	60,000,000
Total Liabilities	186,434,182	164,181,429
Deferred inflows of resources		
Deferred tax revenues	15,857,620	14,230,143
Total Liabilities and Deferred Inflows of Resources	202,291,802	178,411,572
Fund balance (deficit)		
Nonspendable	8,161,617	14,776,092
Restricted	5,634,352	6,283,811
Assigned	6,262,030	5,485,610
Unassigned	32,294,051	6,257,864
Total Fund Balance	52,352,050	32,803,377
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 254,643,852	\$ 211,214,949

See independent auditors' report.

County of Rockland, New York

General Fund

Comparative Schedules of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended December 31,

	2018			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 122,355,000	\$ 122,355,000	\$ 120,427,936	\$ (1,927,064)
Other tax items	13,400,000	13,400,000	12,070,891	(1,329,109)
Non-property taxes	215,736,380	215,736,380	227,366,191	11,629,811
Departmental income	35,171,135	34,531,714	37,145,327	2,613,613
Use of money and property	451,000	451,000	1,539,487	1,088,487
Licenses and permits	1,190,000	1,190,000	1,307,939	117,939
Fines and forfeitures	1,142,470	1,142,470	1,178,288	35,818
Sale of property and compensation for loss	20,700	20,700	75,627	54,927
Interfund revenues	26,367,400	27,346,789	28,490,677	1,143,888
State aid	74,457,330	77,776,293	74,182,933	(3,593,360)
Federal aid	53,662,995	56,498,150	51,016,501	(5,481,649)
Miscellaneous	2,444,980	5,676,040	675,092	(5,000,948)
Total Revenues	546,399,390	556,124,536	555,476,889	(647,647)
EXPENDITURES				
Current				
General government support	80,893,710	81,190,145	73,521,358	7,668,787
Education	53,985,985	54,020,985	54,395,253	(374,268)
Public safety	81,829,030	86,245,277	83,663,196	2,582,081
Health	51,687,850	55,502,205	52,968,634	2,533,571
Transportation	30,125,345	30,199,911	28,792,489	1,407,422
Economic opportunity and development	166,159,005	167,021,549	157,994,302	9,027,247
Culture and recreation	163,395	178,395	170,457	7,938
Home and community services	5,353,815	5,555,346	5,425,101	130,245
Employee benefits	14,075,000	14,075,000	15,680,502	(1,605,502)
Debt service				
Interest	1,442,000	1,442,000	1,441,667	333
Other	8,008,000	8,008,000	7,564,914	443,086
Total Expenditures	493,723,135	503,438,813	481,617,873	21,820,940
Excess of Revenues Over Expenditures	52,676,255	52,685,723	73,859,016	21,173,293
OTHER FINANCING SOURCES (USES)				
Issuance premium	640,000	640,000	591,000	(49,000)
New York State loan	1,815,000	1,815,000	-	(1,815,000)
Transfers in	3,734,745	3,734,748	3,432,017	(302,731)
Transfers out	(58,866,000)	(58,875,471)	(58,333,360)	542,111
Total Other Financing Source (Uses)	(52,676,255)	(52,685,723)	(54,310,343)	(1,624,620)
Net Change in Fund Balance	-	-	19,548,673	19,548,673
FUND BALANCE (DEFICIT)				
Beginning of Year	-	-	32,803,377	32,803,377
End of Year	\$ -	\$ -	\$ 52,352,050	\$ 52,352,050

See independent auditors' report.

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 120,015,000	\$ 120,015,000	\$ 120,966,743	\$ 951,743
12,586,000	12,819,945	12,540,389	(279,556)
210,250,000	210,550,305	216,681,848	6,131,543
33,936,115	34,147,565	33,911,707	(235,858)
451,000	451,000	893,554	442,554
1,190,000	1,190,000	1,048,513	(141,487)
674,000	674,000	1,537,288	863,288
3,200	3,200	65,613	62,413
44,234,790	44,398,708	28,618,870	(15,779,838)
72,013,095	78,981,805	72,948,036	(6,033,769)
50,167,280	54,461,972	50,972,371	(3,489,601)
3,219,825	7,443,650	2,208,876	(5,234,774)
<u>548,740,305</u>	<u>565,137,150</u>	<u>542,393,808</u>	<u>(22,743,342)</u>
76,522,170	78,668,693	72,648,170	6,020,523
51,015,505	51,021,505	54,820,250	(3,798,745)
78,919,155	82,879,963	80,083,985	2,795,978
47,528,890	55,848,246	49,993,417	5,854,829
29,337,510	29,368,877	28,411,803	957,074
163,970,110	164,736,448	158,061,500	6,674,948
9,965	286,443	278,592	7,851
4,652,310	5,538,710	5,185,841	352,869
13,225,000	13,225,000	14,835,374	(1,610,374)
1,174,000	1,174,000	1,173,333	667
7,980,365	7,983,940	7,140,659	843,281
<u>474,334,980</u>	<u>490,731,825</u>	<u>472,632,924</u>	<u>18,098,901</u>
<u>74,405,325</u>	<u>74,405,325</u>	<u>69,760,884</u>	<u>(4,644,441)</u>
900,000	900,000	597,000	(303,000)
1,676,000	1,676,000	-	(1,676,000)
4,305,510	4,305,510	3,879,342	(426,168)
(81,286,835)	(81,286,835)	(63,750,718)	17,536,117
<u>(74,405,325)</u>	<u>(74,405,325)</u>	<u>(59,274,376)</u>	<u>15,130,949</u>
-	-	10,486,508	10,486,508
-	-	22,316,869	22,316,869
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,803,377</u>	<u>\$ 32,803,377</u>

County of Rockland, New York

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2018
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
REAL PROPERTY TAXES	\$ 122,355,000	\$ 122,355,000	\$ 120,427,936	\$ (1,927,064)	\$ 120,966,743
OTHER TAX ITEMS					
Current year real property tax refund	-	-	(125,429)	(125,429)	(110,660)
Gain on sale of tax acquired property, net of property tax refunds	1,500,000	1,500,000	38,799	(1,461,201)	730,545
Other payments in lieu of taxes	1,100,000	1,100,000	1,058,399	(41,601)	1,203,385
STAR renunciation	-	-	3,259	3,259	(145,531)
Interest and penalties on real property taxes	10,800,000	10,800,000	11,095,863	295,863	10,862,650
Total Other Tax Items	13,400,000	13,400,000	12,070,891	(1,329,109)	12,540,389
NON-PROPERTY TAXES					
Sales and use tax	198,000,000	198,000,000	208,573,520	10,573,520	199,115,739
Residential energy use tax	9,200,000	9,200,000	10,400,137	1,200,137	9,078,819
Hotel/Motel occupancy tax	1,500,000	1,500,000	1,421,823	(78,177)	1,486,320
Motor vehicle use tax	1,760,000	1,760,000	1,842,960	82,960	1,801,887
County mortgage tax	5,276,380	5,276,380	5,127,751	(148,629)	5,199,083
Total Non-Property Taxes	215,736,380	215,736,380	227,366,191	11,629,811	216,681,848
DEPARTMENTAL INCOME					
General government support	6,754,990	6,757,565	6,573,931	(183,634)	7,453,480
Education	4,870,000	4,870,000	7,698,959	2,828,959	3,706,527
Public safety	4,352,750	4,352,757	4,380,227	27,470	3,962,308
Health	5,308,155	4,664,697	4,123,443	(541,254)	4,298,312
Transportation	8,641,600	8,641,600	7,585,134	(1,056,466)	7,996,937
Economic assistance	4,791,600	4,791,600	5,758,235	966,635	5,585,687
Home and community services	42,040	43,495	51,415	9,920	42,104
Other	410,000	410,000	973,983	563,983	866,352
Total Departmental Income	35,171,135	34,531,714	37,145,327	2,605,693	33,911,707

See independent auditors' report.

County of Rockland, New York

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2018
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
USE OF MONEY AND PROPERTY					
Earnings on investments	\$ 200,000	\$ 200,000	\$ 1,287,724	\$ 1,087,724	\$ 661,979
Rental of real property	100,000	100,000	100,763	763	80,575
Commissions	151,000	151,000	151,000	-	151,000
Total Use of Money and Property	451,000	451,000	1,539,487	1,088,487	893,554
LICENSES AND PERMITS					
Licenses	1,190,000	1,190,000	1,307,939	117,939	1,048,513
Total Licenses and Permits	1,190,000	1,190,000	1,307,939	117,939	1,048,513
FINES AND FORFEITURES					
Fines	1,142,470	1,142,470	1,018,095	(124,375)	1,039,399
Forfeitures	-	-	160,193	160,193	497,889
Total Fines and Forfeitures	1,142,470	1,142,470	1,178,288	35,818	1,537,288
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Other sales	19,700	19,700	53,230	33,530	63,752
Insurance recoveries	1,000	1,000	22,397	21,397	1,861
Total Sale of Property and Compensation for Loss	20,700	20,700	75,627	54,927	65,613
INTERFUND REVENUES					
Allocations & Chargebacks	26,367,400	27,346,789	28,490,677	1,143,888	28,618,870
Total Interfund Revenues	26,367,400	27,346,789	28,490,677	1,143,888	28,618,870
STATE AID					
General government support	1,512,000	2,346,726	2,194,851	(151,875)	1,905,815
Education	17,365,200	17,365,200	16,161,571	(1,203,629)	19,627,345
Public safety	1,501,300	2,119,976	2,218,469	98,493	1,534,197
Health	16,033,880	17,533,469	16,439,599	(1,093,870)	15,977,656
Transportation	15,595,500	15,595,500	15,835,500	240,000	15,893,798
Economic assistance	22,408,450	22,693,940	21,243,415	(1,450,525)	17,973,225
Home and community services	36,000	116,482	89,528	(26,954)	36,000
Other	5,000	5,000	-	(5,000)	-
Total State Aid	74,457,330	77,776,293	74,182,933	(3,593,360)	72,948,036

(Continued)

County of Rockland, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
FEDERAL AID					
General government support	\$ 213,500	\$ 274,085	\$ 230,953	\$ (43,132)	\$ 1,089,678
Public safety	458,500	1,418,049	1,468,370	50,321	1,318,495
Health	3,408,435	5,213,758	5,366,265	152,507	4,620,222
Transportation	5,090,000	5,090,000	4,546,569	(543,431)	4,315,777
Economic assistance	44,487,560	44,453,453	39,338,383	(5,115,070)	39,588,740
Home and community services	5,000	48,805	65,961	17,156	39,459
Total Federal Aid	53,662,995	56,498,150	51,016,501	(5,481,649)	50,972,371
MISCELLANEOUS					
Refund of prior year's expenditures	20,000	20,000	25,334	5,334	74,447
Gifts & Donations	-	850	-	(850)	6,525
OTB distributed earnings	260,000	260,000	57,629	(202,371)	247,654
Other	806,000	833,409	592,129	(241,280)	1,880,250
Appropriated fund balance - encumbrances	-	1,887,950	-	(1,887,950)	-
Appropriated fund balance	639,590	1,954,441	-	(1,954,441)	-
Appropriated fund balance - other	719,390	719,390	-	(719,390)	-
Total Miscellaneous	2,444,980	5,676,040	675,092	(5,000,948)	2,208,876
TOTAL REVENUES	546,399,390	556,124,536	555,476,889	(655,567)	542,393,808
OTHER FINANCING SOURCES					
Issuance premium	640,000	640,000	591,000	(49,000)	597,000
New York State loan	1,815,000	1,815,000	-	(1,815,000)	-
Transfers in					
Debt Service Fund	2,370,000	2,370,000	2,370,000	-	3,516,000
Rockland Tobacco Asset Securitization Corp.	300,000	300,000	-	(300,000)	-
Capital Projects Fund	1,064,745	1,064,748	1,062,017	(2,731)	363,342
TOTAL OTHER FINANCING SOURCES	6,189,745	6,189,748	4,023,017	(2,166,731)	4,476,342
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 552,589,135	\$ 562,314,284	\$ 559,499,906	\$ (2,822,298)	\$ 546,870,150

See independent auditors' report.

County of Rockland, New York

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended December 31, 2018
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
GENERAL GOVERNMENT SUPPORT					
Assigned Counsel	\$ 1,375,000	\$ 1,375,000	\$ 1,478,218	\$ (103,218)	\$ 1,398,776
County Auditor	274,115	274,115	281,297	(7,182)	127,539
Assigned Counsel	3,901,000	3,931,675	3,893,693	37,982	3,601,573
Contract Agencies	-	60,000	60,000	-	60,000
Community Development Program	933,850	1,071,087	926,854	144,233	1,500,410
County Clerk	4,759,810	4,798,450	4,904,141	(105,691)	4,647,320
District Attorney	11,334,960	12,831,444	12,048,876	782,568	12,084,387
Department of Health Medical Examiner	1,735,055	1,740,484	1,685,606	54,878	1,639,716
County Executive	4,833,825	4,894,953	4,700,895	194,058	4,079,149
Department of Finance	6,076,900	6,073,097	5,353,368	719,729	6,349,695
Department of Insurance	563,020	563,020	546,229	16,791	555,740
Department of Law	3,431,920	3,689,193	3,504,471	184,722	3,139,113
County Legislature	4,623,575	4,647,080	4,160,992	486,088	4,161,244
Public Defender	4,603,280	4,703,000	4,451,548	251,452	4,334,943
Department of Personnel	5,554,125	5,586,344	5,375,032	211,312	5,088,065
Other General Departments	6,373,505	6,393,980	4,248,749	2,145,231	4,865,040
Municipal Assistance Sales Tax Sharing	12,950,000	12,950,000	14,178,304	(1,228,304)	13,057,733
Contingency	5,670,000	3,649,486	27,905	3,621,581	76,658
Youth Bureau	1,899,770	1,957,737	1,695,180	262,557	1,881,069
Total General Government Support	80,893,710	81,190,145	73,521,358	7,668,787	72,648,170
EDUCATION					
Early Intervention & PreK Programs	34,690,000	34,725,000	34,515,648	209,352	35,536,355
Out of County Community College Tuition	1,800,000	1,800,000	2,383,622	(583,622)	2,154,394
Contribution to Community College Fund	17,495,985	17,495,985	17,495,983	2	17,129,501
Total Education	53,985,985	54,020,985	54,395,253	(374,268)	54,820,250

(Continued)

See independent auditors' report.

County of Rockland, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
PUBLIC SAFETY					
Contract Agencies - Public Safety	\$ 60,000	\$ -	\$ -	\$ -	\$ 45,000
Narcotics task force	2,705,630	2,599,924	2,825,618	(225,694)	2,916,015
Department of Fire and Emergency Services	4,854,820	5,318,268	4,764,177	554,091	5,004,095
Probation Department	6,911,185	6,922,347	6,873,613	48,734	6,530,191
Office of the Sheriff	67,297,395	71,404,738	69,199,788	2,204,950	65,588,684
Total Public Safety	81,829,030	86,245,277	83,663,196	2,582,081	80,083,985
HEALTH					
Contracted health services	156,000	246,285	246,285	-	156,000
Contracted mental health services	11,551,165	11,742,530	11,419,638	322,892	10,826,554
Department of Mental Health	13,349,730	14,391,285	12,842,415	1,548,870	12,462,876
Department of Health	26,328,485	28,787,740	28,169,023	618,717	26,245,366
Stop DWI Program	302,470	334,365	291,273	43,092	302,621
Total Health	51,687,850	55,502,205	52,968,634	2,533,571	49,993,417
TRANSPORTATION					
Public transportation	30,125,345	30,199,911	28,792,489	1,407,422	28,411,803
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Contract Agencies - Economic Opportunity and Development	11,000	11,000	11,000	-	11,000
Department of Social Services	157,595,830	157,959,237	149,961,922	7,997,315	149,774,276
Office of the Aging	5,789,330	6,188,467	5,361,182	827,285	5,585,766
Veterans' Service Agency	559,755	659,755	541,329	118,426	669,014
Office of Consumer Protection	2,203,090	2,203,090	2,118,869	84,221	2,021,444
Total Economic Opportunity and Development	166,159,005	167,021,549	157,994,302	9,027,247	158,061,500
CULTURE AND RECREATION					
Contract Agencies - Culture and Recreation	153,530	168,530	160,680	7,850	268,626
County Historian	9,865	9,865	9,777	88	9,966
Total Culture and Recreation	163,395	178,395	170,457	7,938	278,592

(Continued)

See independent auditors' report.

County of Rockland, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
HOME AND COMMUNITY SERVICES					
Contract Agencies - Home and Community Services	\$ 380,000	\$ 382,500	\$ 382,500	\$ -	\$ 818,156
Department of Environmental Resources	2,512,620	2,582,355	2,457,531	124,824	2,035,002
Commission of Human Rights	381,915	452,720	474,672	(21,952)	344,627
Department of Planning	2,053,955	2,112,446	2,085,149	27,297	1,963,422
Commissioner of Labor	25,325	25,325	25,249	76	24,634
Total Home and Community Services	5,353,815	5,555,346	5,425,101	130,245	5,185,841
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Retirement - RCC	2,000,000	2,000,000	2,195,486	(195,486)	2,120,642
Health Insurance - RCC	11,400,000	11,400,000	12,743,644	(1,343,644)	12,167,348
Dental Insurance - RCC	550,000	550,000	629,924	(79,924)	439,351
Vision Insurance - RCC	125,000	125,000	111,448	13,552	108,033
Total Employee Benefits - RCC	14,075,000	14,075,000	15,680,502	(1,605,502)	14,835,374
DEBT SERVICE					
Interest					
Tax anticipation notes	1,442,000	1,442,000	1,441,667	333	1,173,333
Total Debt Service	1,442,000	1,442,000	1,441,667	333	1,173,333
OTHER					
Hospital Retiree Fringe Benefits	8,008,000	8,008,000	7,559,654	448,346	6,975,758
Closed Departments	-	-	5,260	(5,260)	164,901
Total Other	8,008,000	8,008,000	7,564,914	443,086	7,140,659
TOTAL EXPENDITURES	493,723,135	503,438,813	481,617,873	21,820,940	472,632,924
OTHER FINANCING USES					
Transfers out					
County Road Fund	11,612,000	11,621,471	11,612,004	9,467	11,344,800
Road Machinery Fund	1,564,000	1,564,000	1,563,996	4	1,551,960
Debt Service Fund	45,690,000	45,690,000	45,157,360	532,640	50,853,958
TOTAL OTHER FINANCING USES	58,866,000	58,875,471	58,333,360	542,111	63,750,718
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 552,589,135	\$ 562,314,284	\$ 539,951,233	\$ 21,919,965	\$ 536,383,642

See independent auditors' report.

County of Rockland, New York

Capital Projects Fund
Comparative Balance Sheets
December 31,

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 103,327,562	\$ 64,627,830
Receivables		
State and Federal aid	2,048,816	2,032,653
	2,048,816	2,032,653
Restricted cash	5,825,892	7,434,122
Total Assets	\$ 111,202,270	\$ 74,094,605
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 3,783,632	\$ 6,994,115
Accrued liabilities	1,047,877	27,378
Due to other governments	254,910	237,233
Due to other funds	9,326,100	2,129,851
Total Liabilities	14,412,519	9,388,577
Fund balance		
Restricted	93,321,140	62,482,371
Assigned	3,468,611	2,223,657
Total Fund Balance	96,789,751	64,706,028
Total Liabilities and Fund Balance	\$ 111,202,270	\$ 74,094,605

County of Rockland, New York

Capital Projects Fund
Comparative Schedules of Revenues, Expenditures
and Changes in Fund Balance
Years Ended December 31,

	2018	2017
REVENUES		
State aid	\$ 4,321,999	\$ 2,743,219
Federal aid	7,654,324	867,068
Miscellaneous	7,410	24,302
Total Revenues	11,983,733	3,634,589
EXPENDITURES		
Capital outlay	28,652,838	21,199,158
Deficiency of Revenues Over Expenditures	(16,669,105)	(17,564,569)
OTHER FINANCING SOURCES (USES)		
Bonds issued	53,620,000	-
Transfers out	(4,867,172)	(1,203,343)
Total Other Financing Sources	48,752,828	(1,203,343)
Net Change in Fund Balance	32,083,723	(18,767,912)
FUND BALANCE		
Beginning of Year	64,706,028	83,473,940
End of Year	\$ 96,789,751	\$ 64,706,028

<p style="text-align: center;">NON-MAJOR</p> <p style="text-align: center;">GOVERNMENTAL FUNDS</p>
--

SPECIAL REVENUE FUNDS

- **County Road Fund** - The County Road Fund is established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal.
- **Road Machinery Fund** - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery , tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.
- **Community Development Fund** - The Community Development Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.
- **Sewer District Fund** - The Sewer District Funds is used to account for the operation and maintenance of the County's sewer facilities.
- **Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the County in accordance with the terms of a trust agreement.

DEBT SERVICE FUND

- **Debt Service Fund** - The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on long-term debt.

County of Rockland, New York

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2018
(With Comparative Totals for 2017)

	Special Revenue Funds	Debt Service Fund	Totals	
			2018	2017
ASSETS				
Cash and cash equivalents	\$ 25,788,751	\$ 17,480,109	\$ 43,268,860	\$ 38,401,195
Receivables				
Accounts	639,573	800,000	1,439,573	1,575,207
Loans	428,534	-	428,534	417,161
State and Federal aid	1,908,381	1,304,086	3,212,467	2,521,881
Due from other funds	2,704,047	4,902,957	7,607,004	1,608,578
	<u>5,680,535</u>	<u>7,007,043</u>	<u>12,687,578</u>	<u>6,122,827</u>
Restricted cash	1,290,174	-	1,290,174	1,348,298
Prepaid expenditures	-	-	-	680,410
Total Assets	<u>\$ 32,759,460</u>	<u>\$ 24,487,152</u>	<u>\$ 57,246,612</u>	<u>\$ 46,552,730</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,465,181	\$ -	\$ 1,465,181	\$ 2,226,704
Accrued liabilities	3,058,417	-	3,058,417	927,431
Due to other funds	405,938	-	405,938	1,364,576
Unearned revenues	1,696,608	-	1,696,608	1,504,973
Total Liabilities	<u>6,626,144</u>	<u>-</u>	<u>6,626,144</u>	<u>6,023,684</u>
Fund balances				
Nonspendable	-	-	-	680,410
Restricted	24,193	18,410,852	18,435,045	11,082,428
Committed	2,277,374	-	2,277,374	1,560,191
Assigned	23,831,749	6,076,300	29,908,049	27,219,037
Unassigned	-	-	-	(13,020)
Total Fund Balances	<u>26,133,316</u>	<u>24,487,152</u>	<u>50,620,468</u>	<u>40,529,046</u>
Total Liabilities and Fund Balances	<u>\$ 32,759,460</u>	<u>\$ 24,487,152</u>	<u>\$ 57,246,612</u>	<u>\$ 46,552,730</u>

County of Rockland, New York

Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2018
(With Comparative Totals for 2017)

	Special Revenue Funds	Debt Service Fund	Totals	
			2018	2017
REVENUES				
Real property taxes	\$ 12,455,252	\$ -	\$ 12,455,252	\$ 12,557,154
Other tax items	717,183	-	717,183	656,900
Departmental income	22,635,255	-	22,635,255	24,176,561
Use of money and property	502,258	1,459,714	1,961,972	960,748
Licenses and permits	37,670	-	37,670	25,500
Fines and forfeitures	20,541	-	20,541	26,554
Sale of property and compensation for loss	135,763	-	135,763	27,280
Interfund revenues	806,916	-	806,916	853,406
State aid	1,500,000	898,467	2,398,467	3,313,382
Federal aid	2,723,563	4,742,797	7,466,360	5,293,347
Miscellaneous	307,099	500,000	807,099	174,249
Total Revenues	41,841,500	7,600,978	49,442,478	48,065,081
EXPENDITURES				
Current				
Transportation	15,887,219	-	15,887,219	15,864,658
Economic opportunity and development	2,120,316	-	2,120,316	3,083,843
Home and community services	19,937,423	-	19,937,423	19,327,757
Employee benefits	5,048,213	-	5,048,213	4,727,755
Debt service				
Principal	456,000	41,842,904	42,298,904	46,701,858
Interest	193,938	15,493,563	15,687,501	17,232,140
Bond issuance cost	-	872,897	872,897	-
Total Expenditures	43,643,109	58,209,364	101,852,473	106,938,011
Excess (Deficiency) of Revenues Over Expenditures	(1,801,609)	(50,608,386)	(52,409,995)	(58,872,930)
OTHER FINANCING SOURCES (USES)				
Issuance premium	-	2,732,902	2,732,902	-
Transfers in	13,289,400	61,369,623	74,659,023	77,079,795
Transfers out	(12,179,108)	(2,711,400)	(14,890,508)	(16,005,076)
Total Other Financing Sources	1,110,292	61,391,125	62,501,417	61,074,719
Net Change in Fund Balances	(691,317)	10,782,739	10,091,422	2,201,789
FUND BALANCES				
Beginning of Year	26,824,633	13,704,413	40,529,046	38,327,257
End of Year	\$ 26,133,316	\$ 24,487,152	\$ 50,620,468	\$ 40,529,046

County of Rockland, New York

Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2018
(With Comparative Totals for 2017)

	County Road Fund	Road Machinery Fund	Community Development Fund
ASSETS			
Cash and cash equivalents	\$ 100	\$ -	\$ -
Receivables			
Accounts	60,053	-	-
Loans	-	-	428,534
State and Federal aid	1,500,000	-	408,381
Due from other funds	194,753	844,545	-
	<u>1,754,806</u>	<u>844,545</u>	<u>836,915</u>
Restricted cash	-	-	1,265,981
Prepaid expenditures	-	-	-
Total Assets	<u>\$ 1,754,906</u>	<u>\$ 844,545</u>	<u>\$ 2,102,896</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 64,337	\$ 24,919	\$ 350
Accrued liabilities	1,290,958	121,489	-
Due to other funds	-	-	405,938
Unearned revenues	-	-	1,696,608
Total Liabilities	<u>1,355,295</u>	<u>146,408</u>	<u>2,102,896</u>
Fund balances (deficits)			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	399,611	698,137	-
Unassigned	-	-	-
Total Fund Balances (Deficits)	<u>399,611</u>	<u>698,137</u>	<u>-</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,754,906</u>	<u>\$ 844,545</u>	<u>\$ 2,102,896</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2018	2017
<u>\$ 25,788,651</u>	<u>\$ -</u>	<u>\$ 25,788,751</u>	<u>\$ 25,707,019</u>
579,520	-	639,573	775,207
-	-	428,534	417,161
-	-	1,908,381	2,439,528
<u>1,664,749</u>	<u>-</u>	<u>2,704,047</u>	<u>1,480,694</u>
<u>2,244,269</u>	<u>-</u>	<u>5,680,535</u>	<u>5,112,590</u>
-	24,193	1,290,174	1,348,298
-	-	-	680,410
<u>\$ 28,032,920</u>	<u>\$ 24,193</u>	<u>\$ 32,759,460</u>	<u>\$ 32,848,317</u>
\$ 1,375,575	\$ -	\$ 1,465,181	\$ 2,226,704
1,645,970	-	3,058,417	927,431
-	-	405,938	1,364,576
<u>-</u>	<u>-</u>	<u>1,696,608</u>	<u>1,504,973</u>
<u>3,021,545</u>	<u>-</u>	<u>6,626,144</u>	<u>6,023,684</u>
-	-	-	680,410
-	24,193	24,193	24,015
2,277,374	-	2,277,374	1,560,191
22,734,001	-	23,831,749	24,573,037
<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,020)</u>
<u>25,011,375</u>	<u>24,193</u>	<u>26,133,316</u>	<u>26,824,633</u>
<u>\$ 28,032,920</u>	<u>\$ 24,193</u>	<u>\$ 32,759,460</u>	<u>\$ 32,848,317</u>

County of Rockland, New York

Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Special Revenue Funds
Year Ended December 31, 2018
(With Comparative Totals for 2017)

	County Road Fund	Road Machinery Fund	Community Development Fund
REVENUES			
Real property taxes	\$ -	\$ -	\$ -
Other tax items	-	-	-
Departmental income	39,434	3,947	-
Use of money and property	-	-	110,054
Licenses and permits	36,545	-	-
Fines and forfeitures	3,041	-	-
Sales of property	52,515	80,000	-
Interfund revenues	758,748	-	-
State aid	1,500,000	-	-
Federal aid	133,816	-	2,589,747
Miscellaneous	121,550	-	83,473
Total Revenues	<u>2,645,649</u>	<u>83,947</u>	<u>2,783,274</u>
EXPENDITURES			
Current			
Transportation	14,287,750	1,599,469	-
Economic opportunity and development	-	-	2,120,316
Home and community services	-	-	-
Employee benefits	-	-	-
Debt service			
Principal	-	-	456,000
Interest	-	-	193,938
Total Expenditures	<u>14,287,750</u>	<u>1,599,469</u>	<u>2,770,254</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(11,642,101)</u>	<u>(1,515,522)</u>	<u>13,020</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	11,660,004	1,563,996	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>11,660,004</u>	<u>1,563,996</u>	<u>-</u>
Net Change in Fund Balances	17,903	48,474	13,020
FUND BALANCES (DEFICITS)			
Beginning of Year	<u>381,708</u>	<u>649,663</u>	<u>(13,020)</u>
End of Year	<u>\$ 399,611</u>	<u>\$ 698,137</u>	<u>\$ -</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2018	2017
\$ 12,455,252	\$ -	\$ 12,455,252	\$ 12,557,154
717,183	-	717,183	656,900
22,591,874	-	22,635,255	24,176,561
392,026	178	502,258	549,330
1,125	-	37,670	25,500
17,500	-	20,541	26,554
3,248	-	135,763	27,280
48,168	-	806,916	853,406
-	-	1,500,000	1,566,131
-	-	2,723,563	3,478,761
102,076	-	307,099	174,249
<u>36,328,452</u>	<u>178</u>	<u>41,841,500</u>	<u>44,091,826</u>
-	-	15,887,219	15,864,658
-	-	2,120,316	3,083,843
19,937,423	-	19,937,423	19,327,757
5,048,213	-	5,048,213	4,727,755
-	-	456,000	533,000
-	-	193,938	217,964
<u>24,985,636</u>	<u>-</u>	<u>43,643,109</u>	<u>43,754,977</u>
<u>11,342,816</u>	<u>178</u>	<u>(1,801,609)</u>	<u>336,849</u>
65,400	-	13,289,400	13,896,760
(12,179,108)	-	(12,179,108)	(12,329,076)
(12,113,708)	-	1,110,292	1,567,684
(770,892)	178	(691,317)	1,904,533
<u>25,782,267</u>	<u>24,015</u>	<u>26,824,633</u>	<u>24,920,100</u>
<u>\$ 25,011,375</u>	<u>\$ 24,193</u>	<u>\$ 26,133,316</u>	<u>\$ 26,824,633</u>

County of Rockland, New York

County Road Fund
Comparative Balance Sheets
December 31,

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 100	\$ 100
Receivables		
Accounts	60,053	69,070
State and Federal aid	1,500,000	1,936,329
Due from other funds	194,753	-
	1,754,806	2,005,399
Prepaid expenditures	-	312,610
Total Assets	\$ 1,754,906	\$ 2,318,109
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 64,337	\$ 145,136
Accrued liabilities	1,290,958	426,689
Due to other funds	-	1,364,576
Total Liabilities	1,355,295	1,936,401
Fund balance		
Nonspendable	-	312,610
Assigned	399,611	69,098
Total Fund Balance	399,611	381,708
Total Liabilities and Fund Balance	\$ 1,754,906	\$ 2,318,109

County of Rockland, New York

County Road Fund
Comparative Schedules of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2018			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 38,040	\$ 38,040	\$ 39,434	\$ 1,394
Licenses and permits	22,000	22,000	36,545	14,545
Fines and forfeitures	2,000	2,000	3,041	1,041
Sale of property and compensation for loss	31,920	31,920	52,515	20,595
Interfund revenues	752,000	752,000	758,748	6,748
State aid	1,400,000	1,400,000	1,500,000	100,000
Federal aid	-	-	133,816	133,816
Miscellaneous	60,000	138,046	121,550	(16,496)
Total Revenues	2,305,960	2,384,006	2,645,649	261,643
EXPENDITURES				
Current				
Transportation	14,565,960	14,653,477	14,287,750	365,727
Deficiency of Revenues Over Expenditures	(12,260,000)	(12,269,471)	(11,642,101)	627,370
OTHER FINANCING SOURCES				
Transfers in	12,260,000	12,269,471	11,660,004	(609,467)
Net Change in Fund Balance	-	-	17,903	17,903
FUND BALANCE (DEFICIT)				
Beginning of Year	-	-	381,708	381,708
End of Year	\$ -	\$ -	\$ 399,611	\$ 399,611

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 44,300	\$ 44,300	\$ 37,817	\$ (6,483)
30,000	30,000	24,750	(5,250)
-	-	5,900	5,900
31,500	31,500	17,482	(14,018)
752,000	752,000	775,487	23,487
1,600,000	1,913,022	1,566,131	(346,891)
-	-	583	583
60,000	60,000	91,135	31,135
2,517,800	2,830,822	2,519,285	(311,537)
14,867,959	15,180,981	14,287,850	893,131
(12,350,159)	(12,350,159)	(11,768,565)	581,594
12,344,820	12,344,820	12,344,800	(20)
(5,339)	(5,339)	576,235	581,574
5,339	5,339	(194,527)	(199,866)
\$ -	\$ -	\$ 381,708	\$ 381,708

County of Rockland, New York

Road Machinery Fund
Comparative Balance Sheets
December 31,

	2018	2017
ASSETS		
Accounts receivable	\$ -	\$ 1,297
Due from other funds	844,545	737,891
Prepaid expenditures	-	29,490
Total Assets	<u>\$ 844,545</u>	<u>\$ 768,678</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 24,919	\$ 77,663
Accrued liabilities	121,489	41,352
Total Liabilities	<u>146,408</u>	<u>119,015</u>
Fund balance		
Nonspendable	-	29,490
Assigned	698,137	620,173
Total Fund Balance	<u>698,137</u>	<u>649,663</u>
Total Liabilities and Fund Balance	<u>\$ 844,545</u>	<u>\$ 768,678</u>

County of Rockland, New York

Road Machinery Fund
Comparative Schedules of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 4,000	\$ 4,000	\$ 3,947	\$ (53)
Sale of property and compensation for loss	80,000	80,000	80,000	-
Miscellaneous	-	-	-	-
Total Revenues	84,000	84,000	83,947	(53)
EXPENDITURES				
Current				
Transportation	1,648,000	1,648,000	1,599,469	48,531
Deficiency of Revenues Over Expenditures	(1,564,000)	(1,564,000)	(1,515,522)	48,478
OTHER FINANCING SOURCES				
Transfers in	1,564,000	1,564,000	1,563,996	(4)
Net Change in Fund Balance	-	-	48,474	48,474
FUND BALANCE				
Beginning of Year	-	-	649,663	649,663
End of Year	\$ -	\$ -	\$ 698,137	\$ 698,137

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,500	\$ 2,500	\$ 4,141	\$ 1,641
110,000	110,000	-	(110,000)
7,000	7,000	1,297	(5,703)
119,500	119,500	5,438	(114,062)
1,673,253	1,673,253	1,576,808	96,445
(1,553,753)	(1,553,753)	(1,571,370)	(17,617)
1,551,910	1,551,910	1,551,960	50
(1,843)	(1,843)	(19,410)	(17,567)
1,843	1,843	669,073	667,230
\$ -	\$ -	\$ 649,663	\$ 649,663

County of Rockland, New York

Community Development Fund
Comparative Balance Sheets
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Receivables		
Loans	\$ 428,534	\$ 417,161
State and Federal aid	408,381	503,199
Due from other funds	<u>-</u>	<u>17,254</u>
	836,915	937,614
Restricted cash	<u>1,265,981</u>	<u>1,324,283</u>
Total Assets	<u><u>\$ 2,102,896</u></u>	<u><u>\$ 2,261,897</u></u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 350	\$ 769,944
Due to other funds	405,938	-
Unearned revenues	<u>1,696,608</u>	<u>1,504,973</u>
Total Liabilities	<u>2,102,896</u>	<u>2,274,917</u>
Fund Deficit		
Unassigned	<u>-</u>	<u>(13,020)</u>
Total Fund Deficits	<u>-</u>	<u>(13,020)</u>
Total Liabilities and Fund Deficits	<u><u>\$ 2,102,896</u></u>	<u><u>\$ 2,261,897</u></u>

County of Rockland, New York

Community Development Fund
 Comparative Schedules of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2018			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money and property	\$ -	\$ -	\$ 110,054	\$ 110,054
Federal aid	-	16,047,139	2,589,747	(13,457,392)
Miscellaneous	-	-	83,473	83,473
Total Revenues	-	16,047,139	2,783,274	(13,263,865)
EXPENDITURES				
Current				
Economic opportunity and development	-	16,047,139	2,120,316	13,926,823
Debt service				
Principal	-	-	456,000	(456,000)
Interest	-	-	193,938	(193,938)
Total Expenditures	-	16,047,139	2,770,254	13,276,885
Excess of Revenues Over Expenditures	-	-	13,020	13,020
FUND BALANCE				
Beginning of Year	-	-	(13,020)	(13,020)
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 389,086	\$ 389,086
-	12,433,549	3,478,178	(8,955,371)
-	-	3,275	3,275
-	12,433,549	3,870,539	(8,563,010)
-	12,433,549	3,083,843	9,349,706
-	-	533,000	(533,000)
-	-	217,964	(217,964)
-	12,433,549	3,834,807	8,598,742
-	-	35,732	35,732
-	-	(48,752)	(48,752)
\$ -	\$ -	\$ (13,020)	\$ (13,020)

County of Rockland, New York

Sewer District Fund
Comparative Balance Sheets
December 31,

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 25,788,651	\$ 25,706,919
Receivables		
Accounts	579,520	704,840
Due from other funds	1,664,749	725,549
	2,244,269	1,430,389
Prepaid expenditures	-	338,310
Total Assets	\$ 28,032,920	\$ 27,475,618
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,375,575	\$ 1,233,961
Accrued liabilities	1,645,970	459,390
Total Liabilities	3,021,545	1,693,351
Fund balance		
Nonspendable	-	338,310
Committed	2,277,374	1,560,191
Assigned	22,734,001	23,883,766
Total Fund Balance	25,011,375	25,782,267
Total Liabilities and Fund Balance	\$ 28,032,920	\$ 27,475,618

County of Rockland, New York

Sewer District Fund
Comparative Schedules of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2018			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 12,412,985	\$ 12,412,985	\$ 12,455,252	\$ 42,267
Other tax items	-	-	717,183	717,183
Departmental income	21,607,140	21,607,140	22,591,874	984,734
Use of money and property	110,000	110,000	392,026	282,026
Licenses and permits	2,000	2,000	1,125	(875)
Fines and forfeitures	-	-	17,500	17,500
Sales of property	-	-	3,248	3,248
Interfund revenues	-	-	48,168	48,168
Miscellaneous	3,050,885	7,799,174	102,076	(7,697,098)
Total Revenues	37,183,010	41,931,299	36,328,452	(5,602,847)
EXPENDITURES				
Current				
Home and community services	18,741,425	23,983,267	19,937,423	4,045,844
Employee benefits	5,527,985	6,197,024	5,048,213	1,148,811
Debt service				
Interest	587,000	587,000	-	587,000
Total Expenditures	24,856,410	30,767,291	24,985,636	5,781,655
Excess (Deficiency) of Revenues Over Expenditures	12,326,600	11,164,008	11,342,816	178,808
OTHER FINANCING SOURCES (USES)				
Transfers in	65,400	65,400	65,400	-
Transfers out	(12,292,000)	(12,292,000)	(12,179,108)	112,892
Total Other Financing Uses	(12,226,600)	(12,226,600)	(12,113,708)	112,892
Net Change in Fund Balance	100,000	(1,062,592)	(770,892)	291,700
FUND BALANCE				
Beginning of Year	(100,000)	1,062,592	25,782,267	24,719,675
End of Year	\$ -	\$ -	\$ 25,011,375	\$ 25,011,375

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 12,412,985	\$ 12,412,985	\$ 12,557,154	\$ 144,169
-	-	656,900	656,900
23,160,870	23,160,870	24,134,603	973,733
115,000	115,000	160,137	45,137
2,000	2,000	750	(1,250)
-	-	20,654	20,654
-	-	9,798	9,798
-	-	77,919	77,919
2,094,160	5,332,556	78,542	(5,254,014)
37,785,015	41,023,411	37,696,457	(3,326,954)
22,231,794	25,470,190	19,327,757	6,142,433
4,737,465	4,737,465	4,727,755	9,710
353,000	353,000	-	353,000
27,322,259	30,560,655	24,055,512	6,505,143
10,462,756	10,462,756	13,640,945	3,178,189
-	-	-	-
(12,321,060)	(12,321,060)	(12,329,076)	(8,016)
(12,321,060)	(12,321,060)	(12,329,076)	(8,016)
(1,858,304)	(1,858,304)	1,311,869	3,170,173
1,858,304	1,858,304	24,470,398	22,612,094
\$ -	\$ -	\$ 25,782,267	\$ 25,782,267

County of Rockland, New York

Special Purpose Fund
Comparative Balance Sheets
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Restricted cash	<u>\$ 24,193</u>	<u>\$ 24,015</u>
FUND BALANCE		
Restricted	<u>\$ 24,193</u>	<u>\$ 24,015</u>

County of Rockland, New York

Special Purpose Fund
Comparative Schedules of Revenues, Expenditures and Changes
in Fund Balance
Years Ended December 31,

	<u>2018</u>	<u>2017</u>
REVENUES		
Use of money and property	\$ 178	\$ 107
EXPENDITURES		
Current		
Economic opportunity and development	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	178	107
FUND BALANCE		
Beginning of Year	<u>24,015</u>	<u>23,908</u>
End of Year	<u><u>\$ 24,193</u></u>	<u><u>\$ 24,015</u></u>

County of Rockland, New York

Debt Service Fund
Comparative Balance Sheets
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalents	<u>\$ 17,480,109</u>	<u>\$ 12,694,176</u>
Receivables		
Accounts	800,000	800,000
State and Federal aid	1,304,086	82,353
Due from other funds	<u>4,902,957</u>	<u>127,884</u>
	<u>7,007,043</u>	<u>1,010,237</u>
 Total Assets	 <u><u>\$ 24,487,152</u></u>	 <u><u>\$ 13,704,413</u></u>
 LIABILITIES AND FUND BALANCE		
Fund balance		
Restricted	<u>\$ 18,410,852</u>	<u>\$ 11,058,413</u>
Assigned	<u>6,076,300</u>	<u>2,646,000</u>
 Total Fund Balance	 <u><u>24,487,152</u></u>	 <u><u>13,704,413</u></u>
 Total Liabilities and Fund Balance	 <u><u>\$ 24,487,152</u></u>	 <u><u>\$ 13,704,413</u></u>

County of Rockland, New York

Debt Service Fund
Comparative Schedules of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 1,459,714	\$ 1,459,714
State aid	-	-	898,467	898,467
Federal aid	-	-	4,742,797	4,742,797
Miscellaneous	-	-	500,000	500,000
Total Revenues	-	-	7,600,978	7,600,978
EXPENDITURES				
Debt service				
Serial bonds				
Principal	43,358,530	43,358,530	41,430,500	1,928,030
Interest	16,628,036	16,628,036	15,482,719	1,145,317
Bond issuance cost	-	-	872,897	(872,897)
New York State Power Authority				
Principal	409,610	409,610	412,404	(2,794)
Interest	11,474	11,474	10,844	630
Total Expenditures	60,407,650	60,407,650	58,209,364	2,198,286
Deficiency of Revenues Over Expenditures	(60,407,650)	(60,407,650)	(50,608,386)	9,799,264
OTHER FINANCING SOURCES (USES)				
Issuance premium	-	-	2,732,902	2,732,902
Transfers in	58,047,400	57,982,000	61,369,623	3,387,623
Transfers out	(2,646,000)	(2,711,400)	(2,711,400)	-
Total Other Financing Sources	55,401,400	55,270,600	61,391,125	6,120,525
Net Change in Fund Balance	(5,006,250)	(5,137,050)	10,782,739	15,919,789
FUND BALANCE				
Beginning of Year	5,006,250	5,137,050	13,704,413	8,567,363
End of Year	\$ -	\$ -	\$ 24,487,152	\$ 24,487,152

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 411,418	\$ 411,418
-	-	1,747,251	1,747,251
-	-	1,814,586	1,814,586
-	-	-	-
-	-	3,973,255	3,973,255
43,358,530	43,358,530	45,759,248	(2,400,718)
16,628,036	16,628,036	17,002,702	(374,666)
-	-	-	-
409,610	409,610	409,610	-
-	11,474	11,474	-
60,396,176	60,407,650	63,183,034	(2,775,384)
(60,396,176)	(60,407,650)	(59,209,779)	1,197,871
-	-	-	-
60,407,650	60,407,650	63,183,035	2,775,385
(3,676,000)	(3,676,000)	(3,676,000)	-
56,731,650	56,731,650	59,507,035	2,775,385
(3,664,526)	(3,676,000)	297,256	3,973,256
3,676,000	3,676,000	13,407,157	9,731,157
\$ -	\$ -	\$ 13,704,413	\$ 13,704,413

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public.

- **Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corp.-** These funds reflect the operations of these not-for-profit local development corporations organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York.
- **Rockland County Health Facilities Corporation** - This fund is used to account for the operations of the not-for-profit local development corporation created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York.

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland Tobacco Asset Securitization Corporation
Comparative Statements of Net Position
December 31,

	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,910,221	\$ 5,658,135
Accounts receivable	2,902,581	3,045,639
Prepaid expenses	21,352	21,352
Total Current Assets	7,834,154	8,725,126
Total Assets	7,834,154	8,725,126
LIABILITIES		
Current liabilities		
Accounts payable	1,250	1,250
Accrued liabilities	654,725	698,177
Total Current Liabilities	655,975	699,427
Noncurrent liabilities		
Due in more than one year	89,758,361	87,988,012
	89,758,361	87,988,012
Total Liabilities	90,414,336	88,687,439
NET POSITION (DEFICIT)		
Unrestricted	\$ (82,580,182)	\$ (79,962,313)

County of Rockland, New York

Proprietary Fund - Enterprise Fund
 Rockland Tobacco Asset Securitization Corporation
 Comparative Statements of Revenues, Expenses and
 Changes in Net Position
 Years Ended December 31,

	2018	2017
OPERATING REVENUES		
Tobacco settlement revenues	\$ 2,844,715	\$ 2,951,552
Other operating revenues	-	12,031
Total Operating Revenues	2,844,715	2,963,583
OPERATING EXPENSES		
Professional fees	28,128	27,900
Directors' fees	13,000	13,000
Insurance	23,293	23,293
Total Operating Expenses	64,421	64,193
Income from Operations	2,780,294	2,899,390
NON-OPERATING REVENUES (EXPENSES)		
Interest income	302,248	270,881
Interest on indebtedness	(5,700,411)	(5,505,212)
Total Non-Operating Expenses	(5,398,163)	(5,234,331)
Change in Net Position	(2,617,869)	(2,334,941)
NET POSITION (DEFICIT)		
Beginning of Year	(79,962,313)	(77,627,372)
End of Year	\$ (82,580,182)	\$ (79,962,313)

County of Rockland, New York

Proprietary Fund - Enterprise Fund
 Rockland Tobacco Asset Securitization Corporation
 Comparative Statements of Cash Flows
 Years Ended December 31,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tobacco settlement revenues	\$ 2,913,459	\$ 2,702,405
Cash payments to vendors	<u>(64,421)</u>	<u>(64,193)</u>
Net Cash from Operating Activities	<u>2,849,038</u>	<u>2,638,212</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Retirement of long-term debt	(2,060,000)	(1,665,000)
Transfers out	-	(100,000)
Interest on indebtedness	<u>(1,913,514)</u>	<u>(1,954,832)</u>
Net Cash from Non-Capital Financing Activities	<u>(3,973,514)</u>	<u>(3,719,832)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>376,562</u>	<u>267,296</u>
Net Cash from Investing Activities	<u>376,562</u>	<u>267,296</u>
Net Change in Cash and Equivalents	(747,914)	(814,324)
CASH AND CASH EQUIVALENTS		
Beginning of Year	<u>5,658,135</u>	<u>6,472,459</u>
End of Year	<u><u>\$ 4,910,221</u></u>	<u><u>\$ 5,658,135</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 2,780,294	\$ 2,899,390
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	<u>68,744</u>	<u>(261,178)</u>
Net Cash from Operating Activities	<u><u>\$ 2,849,038</u></u>	<u><u>\$ 2,638,212</u></u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland Second Tobacco Asset Securitization Corporation
Comparative Statements of Net Position
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 852,850	\$ 813,503
Accounts receivable	<u>731,627</u>	<u>749,613</u>
Total Assets	<u>1,584,477</u>	<u>1,563,116</u>
LIABILITIES		
Current liabilities		
Accounts payable	1,250	1,250
Accrued liabilities	<u>13,225</u>	<u>15,775</u>
Total Current Liabilities	<u>14,475</u>	<u>17,025</u>
Noncurrent liabilities		
Tobacco Settlement Bonds, net	<u>2,379,560</u>	<u>2,878,942</u>
Total Liabilities	<u>2,394,035</u>	<u>2,895,967</u>
NET POSITION (DEFICIT)		
Unrestricted	<u>\$ (809,558)</u>	<u>\$ (1,332,851)</u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland Second Tobacco Asset Securitization Corporation
Comparative Statements of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

	2018	2017
OPERATING REVENUES		
Tobacco settlement revenues	\$ 711,178	\$ 737,888
Other operating revenues	-	371
Total Operating Revenues	711,178	738,259
OPERATING EXPENSES		
Professional fees	40,902	29,868
Directors' fees	13,000	13,000
Total Operating Expenses	53,902	42,868
Income from Operations	657,276	695,391
NON-OPERATING REVENUES (EXPENSES)		
Interest income	48,085	24,321
Interest on indebtedness	(182,068)	(211,168)
Total Non-Operating Expenses	(133,983)	(186,847)
Change in Net Position	523,293	508,544
NET POSITION (DEFICIT)		
Beginning of Year	(1,332,851)	(1,841,395)
End of Year	\$ (809,558)	\$ (1,332,851)

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland Second Tobacco Asset Securitization Corporation
Comparative Statements of Cash Flows
Years Ended December 31,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tobacco settlement revenues	\$ 728,364	\$ 672,594
Other operating revenues	-	371
Cash payments to directors	(13,000)	(13,000)
Cash payments to vendors	(40,902)	(29,868)
Net Cash from Operating Activities	674,462	630,097
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Retirement of long-term debt	(510,000)	(450,000)
Transfers out	-	(50,000)
Interest on indebtedness	(174,000)	(202,800)
Net Cash from Non-Capital Financing Activities	(684,000)	(702,800)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	48,885	24,321
Net Change in Cash and Equivalents	39,347	(48,382)
CASH AND CASH EQUIVALENTS		
Beginning of Year	813,503	861,885
End of Year	\$ 852,850	\$ 813,503
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 657,276	\$ 695,391
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	17,186	(65,294)
Net Cash from Operating Activities	\$ 674,462	\$ 630,097

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland County Health Facilities Corporation
Comparative Statements of Net Position
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,312	\$ 12,578
Funds held in escrow	3,781,100	3,773,546
Due from other funds	<u>36,180</u>	<u>102,794</u>
Total Assets	<u>3,825,592</u>	<u>3,888,918</u>
LIABILITIES		
Accounts payable	39,713	111,656
Accrued liabilities	<u>3,750,000</u>	<u>3,750,000</u>
Total Liabilities	<u>3,789,713</u>	<u>3,861,656</u>
NET POSITION		
Unrestricted	<u>\$ 35,879</u>	<u>\$ 27,262</u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland County Health Facilities Corporation
Comparative Statements of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Interest earned	\$ 7,554	\$ 7,539
Other	<u>133,233</u>	<u>155,966</u>
Total Operating Revenues	<u>140,787</u>	<u>163,505</u>
OPERATING EXPENSES		
Appropriations received from the County of Rockland	92,457	44,310
Amount to be appropriated by the County	<u>39,713</u>	<u>111,656</u>
Total Operating Expenses	<u>132,170</u>	<u>155,966</u>
Income from Operations	<u>8,617</u>	<u>7,539</u>
NET POSITION		
Beginning of Year	<u>27,262</u>	<u>19,723</u>
End of Year	<u><u>\$ 35,879</u></u>	<u><u>\$ 27,262</u></u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland County Health Facilities Corporation
Comparative Statements of Cash Flows
Years Ended December 31,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Other receipts	\$ 199,847	\$ 124,082
Cash payments to vendors	(204,113)	(128,862)
Net Change in Cash and Equivalents	(4,266)	(4,780)
CASH AND CASH EQUIVALENTS		
Beginning of Year	12,578	17,358
End of Year	<u>\$ 8,312</u>	<u>\$ 12,578</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 8,617	\$ 7,539
Adjustments to reconcile income from operations to net cash from operating activities		
Transfer to escrow	(7,554)	(7,539)
Changes in assets and liabilities		
Due from other funds	66,614	(36,664)
Accounts payable	(71,943)	31,884
Net Cash from Operating Activities	<u>\$ (4,266)</u>	<u>\$ (4,780)</u>

INTERNAL SERVICE

FUNDS

Internal Service Funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County has established its Workers Compensation and General Services funds as internal service funds.

County of Rockland, New York

Proprietary Funds - Internal Service Funds
Combining Statement of Net Position
December 31, 2018
(With Comparative Totals for 2017)

	Workers' Compensation Benefits	General Services	Totals	
			2018	2017
ASSETS				
Cash and cash equivalents	\$ 159,861	\$ 3,794,769	\$ 3,954,630	\$ 4,202,083
Receivables				
Accounts	-	151,544	151,544	89,555
State and Federal aid	-	452,267	452,267	452,155
Due from other funds	-	4,135,726	4,135,726	3,091,358
	-	4,739,537	4,739,537	3,633,068
Inventories	-	109,924	109,924	98,802
Prepaid expenses	-	229,168	229,168	706,235
Total Current Assets	159,861	8,873,398	9,033,259	8,640,188
Capital assets				
Nondepreciable	-	1,847,214	1,847,214	1,287,530
Depreciable, net	-	41,080	41,080	65,187
Total Assets	159,861	10,761,692	10,921,553	9,992,905
DEFERRED OUTFLOWS OF RESOURCES	-	2,649,040	2,649,040	2,366,663
LIABILITIES				
Current liabilities				
Accounts payable	178,403	829,744	1,008,147	861,394
Accrued liabilities	18,483	1,958,465	1,976,948	1,008,740
Due to other funds	145,515	-	145,515	23,992
Total Current Liabilities	342,401	2,788,209	3,130,610	1,894,126
Noncurrent liabilities				
Due within one year	2,323,242	907,572	3,230,814	3,016,764
Due in more than one year	21,435,945	51,797,183	73,233,128	54,524,481
Total Noncurrent Liabilities	23,759,187	52,704,755	76,463,942	57,541,245
Total Liabilities	24,101,588	55,492,964	79,594,552	59,435,371
DEFERRED INFLOWS OF RESOURCES	30,110	8,710,368	8,740,478	588,861
NET POSITION (DEFICIT)				
Net investment in capital assets	-	(4,049,673)	(4,049,673)	(4,461,360)
Unrestricted	(23,971,837)	(46,742,927)	(70,714,764)	(43,203,304)
Total Net Position	\$ (23,971,837)	\$ (50,792,600)	\$ (74,764,437)	\$ (47,664,664)

County of Rockland, New York

Proprietary Funds - Internal Service Funds
Combining Statement of Revenues, Expenses and Changes
in Net Position
Year Ended December 31, 2018
(With Comparative Totals for 2017)

	Workers' Compensation Benefits	General Services	Totals	
			2018	2017
OPERATING REVENUES				
Charges for services	\$ 4,569,000	\$ 23,827,354	\$ 28,396,354	\$ 27,685,485
State aid	-	506,929	506,929	602,299
Total Operating Revenues	4,569,000	24,334,283	28,903,283	28,287,784
OPERATING EXPENSES				
Administrative and general expenses	2,071,941	-	2,071,941	1,341,849
Salaries and wage expenses	164,169	8,343,914	8,508,083	8,795,812
Employee benefits	4,333,130	5,976,814	10,309,944	11,975,477
Supplies and other expenses	-	9,292,129	9,292,129	8,788,121
Depreciation	-	24,108	24,108	390,151
Total Operating Expenses	6,569,240	23,636,965	30,206,205	31,291,410
Income (Loss) From Operations	(2,000,240)	697,318	(1,302,922)	(3,003,626)
NON-OPERATING REVENUES (EXPENSES)				
Interest income	373	-	373	1,392
Interest on indebtedness	-	(156,208)	(156,208)	(153,869)
Total Non-Operating Revenues (Expenses)	373	(156,208)	(155,835)	(152,477)
Change in Net Position	(1,999,867)	541,110	(1,458,757)	(3,156,103)
NET POSITION (DEFICIT)				
Beginning of Year, As Previously Stated	(21,526,957)	(26,137,707)	(47,664,664)	(44,508,561)
Effect of Adoption of GASB Statement No. 75	(445,013)	(25,196,003)	(25,641,016)	-
Beginning of Year, Restated	(21,971,970)	(51,333,710)	(73,305,680)	(44,508,561)
End of Year	<u>\$ (23,971,837)</u>	<u>\$ (50,792,600)</u>	<u>\$ (74,764,437)</u>	<u>\$ (47,664,664)</u>

County of Rockland, New York

Proprietary Funds - Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2018
(With Comparative Totals for 2017)

	Workers' Compensation Benefits	General Services	Totals	
			2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from charges for services	\$ 4,569,000	\$ 22,720,997	\$ 27,289,997	\$ 29,047,356
Cash received from State and Federal aid	-	506,817	506,817	585,163
Cash payments to insurance carriers and claimants	(4,608,337)	-	(4,608,337)	(4,780,057)
Cash payments to employees	(209,897)	(14,868,663)	(15,078,560)	(7,524,828)
Cash payments to vendors	-	(7,765,740)	(7,765,740)	(16,793,174)
Net Cash from Operating Activities	(249,234)	593,411	344,177	534,460
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from long-term debt	-	800,000	800,000	-
Retirement of long-term debt	-	(676,110)	(676,110)	(911,708)
Interest on indebtedness	-	(156,208)	(156,208)	(153,869)
Acquisition and construction of capital assets	-	(559,685)	(559,685)	(1,098,059)
Net Cash from Capital and Related Financing Activities	-	(592,003)	(592,003)	(2,163,636)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	373	-	373	1,392
Net Change in Cash and Cash Equivalents	(248,861)	1,408	(247,453)	(1,627,784)
CASH AND CASH EQUIVALENTS				
Beginning of Year	408,722	3,793,361	4,202,083	5,829,867
End of Year	\$ 159,861	\$ 3,794,769	\$ 3,954,630	\$ 4,202,083
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES				
Income (loss) from operations	\$ (2,000,240)	\$ 697,318	\$ (1,302,922)	\$ (3,003,626)
Adjustments to reconcile income (loss) from operations to net cash from operating activities				
Depreciation	-	24,108	24,108	390,151
Changes in operating assets and liabilities				
Accounts receivable	-	(61,989)	(61,989)	54,302
State and Federal aid receivable	-	(112)	(112)	(17,136)
Due from other funds	-	(1,044,368)	(1,044,368)	1,314,358
Inventories	-	(11,122)	(11,122)	12,922
Prepaid expenses	4,790	472,277	477,067	(52,075)
Accounts payable	37,545	109,208	146,753	(250,760)
Accrued liabilities	12,182	956,026	968,208	(42,381)
Due to other funds	121,523	-	121,523	(6,789)
Claims payable	1,620,694	-	1,620,694	897,304
Compensated absences	(624)	(6,826)	(7,450)	(284,795)
Net pension liability	-	342,451	342,451	(63,625)
Other postemployment benefit obligations payable	(45,104)	(883,560)	(928,664)	1,586,610
Net Cash from Operating Activities	\$ (249,234)	\$ 593,411	\$ 344,177	\$ 534,460

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statements of Net Position
December 31,

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 159,861	\$ 408,722
Prepaid expenses	-	4,790
Total Assets	159,861	413,512
LIABILITIES		
Current liabilities		
Accounts payable	178,403	140,858
Accrued liabilities	18,483	6,301
Due to other funds	145,515	23,992
Total Current Liabilities	342,401	171,151
Noncurrent liabilities		
Due within one year	2,323,242	2,161,796
Due in more than one year	21,435,945	19,607,522
Total Noncurrent Liabilities	23,759,187	21,769,318
Total Liabilities	24,101,588	21,940,469
DEFERRED INFLOWS OF RESOURCES	30,110	-
NET POSITION (DEFICIT)		
Unrestricted	\$ (23,971,837)	\$ (21,526,957)

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statements of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	2018	2017
OPERATING REVENUES		
Charges for services	\$ 4,569,000	\$ 4,199,960
OPERATING EXPENSES		
Administrative and general expenses	2,071,941	1,341,849
Salaries and wage expenses	164,169	169,921
Employee benefits	4,333,130	4,336,138
Total Operating Expenses	6,569,240	5,847,908
Loss From Operations	(2,000,240)	(1,647,948)
NON-OPERATING REVENUES		
Interest income	373	1,392
Change in Net Position	(1,999,867)	(1,646,556)
NET POSITION (DEFICIT)		
Beginning of Year, As Previously Stated	(21,526,957)	(19,880,401)
Effect of Adoption of GASB Statement No. 75	(445,013)	-
Beginning of Year, Restated	(21,971,970)	(19,880,401)
End of Year	\$ (23,971,837)	\$ (21,526,957)

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statements of Cash Flows
Years Ended December 31,

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 4,569,000	\$ 4,193,171
Cash payments to insurance carriers and claimants	(4,608,337)	(4,780,057)
Cash payments to employees	<u>(209,897)</u>	<u>(162,871)</u>
Net Cash from Operating Activities	<u>(249,234)</u>	<u>(749,757)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>373</u>	<u>1,392</u>
Net Change in Cash and Cash Equivalents	(248,861)	(748,365)
CASH AND CASH EQUIVALENTS		
Beginning of Year	<u>408,722</u>	<u>1,157,087</u>
End of Year	<u><u>\$ 159,861</u></u>	<u><u>\$ 408,722</u></u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (2,000,240)	\$ (1,647,948)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in assets and liabilities		
Prepaid expenses	4,790	(290)
Accounts payable	37,545	626
Accrued liabilities	12,182	(1)
Due to other funds	121,523	(6,789)
Claims payable	1,620,694	897,304
Compensated absences	(624)	(6,091)
Other postemployment benefit obligations payable	<u>(45,104)</u>	<u>13,432</u>
Net Cash from Operating Activities	<u><u>\$ (249,234)</u></u>	<u><u>\$ (749,757)</u></u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Services Fund
 Comparative Statements of Net Position
 December 31,

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 3,794,769	\$ 3,793,361
Receivables		
Accounts	151,544	89,555
State and Federal aid	452,267	452,155
Due from other funds	4,135,726	3,091,358
	4,739,537	3,633,068
Inventories	109,924	98,802
Prepaid expenses	229,168	701,445
Total Current Assets	8,873,398	8,226,676
Capital assets		
Nondepreciable	1,847,214	1,287,530
Depreciable, net	41,080	65,187
Total Assets	10,761,692	9,579,393
DEFERRED OUTFLOWS OF RESOURCES	2,649,040	2,366,663
LIABILITIES		
Current liabilities		
Accounts payable	829,744	720,536
Accrued liabilities	1,958,465	1,002,439
Total Current Liabilities	2,788,209	1,722,975
Noncurrent liabilities		
Due within one year	907,572	854,968
Due in more than one year	51,797,183	34,916,959
Total Noncurrent Liabilities	52,704,755	35,771,927
Total Liabilities	55,492,964	37,494,902
DEFERRED INFLOWS OF RESOURCES	8,710,368	588,861
NET POSITION (DEFICIT)		
Net investment in capital assets	(4,049,673)	(4,461,360)
Unrestricted	(46,742,927)	(21,676,347)
Total Net Position (Deficit)	\$ (50,792,600)	\$ (26,137,707)

See independent auditors' report.

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Services Fund
Comparative Statements of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	2018	2017
OPERATING REVENUES		
Charges for services	\$ 23,827,354	\$ 23,485,525
State aid	506,929	602,299
Total Operating Revenues	24,334,283	24,087,824
OPERATING EXPENSES		
Salaries and wage expenses	8,343,914	8,625,891
Employee benefits	5,976,814	7,639,339
Supplies and other expenses	9,292,129	8,788,121
Depreciation	24,108	390,151
Total Operating Expenses	23,636,965	25,443,502
Income (Loss) From Operations	697,318	(1,355,678)
NON-OPERATING EXPENSES		
Interest on indebtedness	(156,208)	(153,869)
Change in Net Position	541,110	(1,509,547)
NET POSITION (DEFICIT)		
Beginning of Year, As Previously Stated	(26,137,707)	(24,628,160)
Effect of Adoption of GASB Statement No. 75	(25,196,003)	-
Beginning of Year, Restated	(51,333,710)	(24,628,160)
End of Year	\$ (50,792,600)	\$ (26,137,707)

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Services Fund
 Comparative Statements of Cash Flows
 Years Ended December 31,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 22,720,997	\$ 24,854,185
Cash received from State and Federal aid	506,817	585,163
Cash payments to employees	(14,868,663)	(7,361,957)
Cash payments to vendors	(7,765,740)	(16,793,174)
Net Cash From Operating Activities	593,411	1,284,217
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from long-term debt	800,000	-
Retirement of long-term debt	(676,110)	(911,708)
Interest on indebtedness	(156,208)	(153,869)
Acquisition and construction of capital assets	(559,685)	(1,098,059)
Net Cash From Capital and Related Financing Activities	(592,003)	(2,163,636)
Net Change in Cash and Cash Equivalents	1,408	(879,419)
CASH AND CASH EQUIVALENTS		
Beginning of Year	3,793,361	4,672,780
End of Year	\$ 3,794,769	\$ 3,793,361
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ 697,318	\$ (1,355,678)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation	24,108	390,151
Changes in assets and liabilities		
Accounts receivable	(61,989)	54,302
State and Federal aid receivable	(112)	(17,136)
Due from other funds	(1,044,368)	1,314,358
Inventories	(11,122)	12,922
Prepaid expenses	472,277	(51,785)
Accounts payable	109,208	(251,386)
Accrued liabilities	956,026	(42,380)
Compensated absences	(6,826)	(278,704)
Net pension liability	342,451	(63,625)
Other postemployment benefit obligations payable	(883,560)	1,573,178
Net Cash from Operating Activities	\$ 593,411	\$ 1,284,217

See independent auditors' report.

FIDUCIARY FUNDS

AGENCY FUND

The Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the County in an agency capacity on behalf of others. The County's Agency Fund is primarily utilized to account for employee payroll deductions, deposits for welfare trusts and various taxes that are payable to other jurisdictions or individuals.

County of Rockland, New York**Fiduciary Funds - Agency Fund
Statement of Changes in Assets and Liabilities
Year Ended December 31, 2018**

	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018
ASSETS				
Cash and equivalents	\$ 6,735,093	\$ 175,273,012	\$ 173,910,513	\$ 8,097,592
Accounts receivable	95,163	295,404,382	295,480,654	18,891
Total Assets	<u>\$ 6,830,256</u>	<u>\$ 470,677,394</u>	<u>\$ 469,391,167</u>	<u>\$ 8,116,483</u>
LIABILITIES				
Accounts payable	\$ 45,263	\$ 12,104,928	\$ 12,148,801	\$ 1,390
Employee payroll deductions	412,145	63,947,335	63,629,947	729,533
Deposits	4,018,651	2,665,215	2,177,024	4,506,842
Due to other governments	2,354,197	10,889,505	10,364,984	2,878,718
Total Liabilities	<u>\$ 6,830,256</u>	<u>\$ 89,606,983</u>	<u>\$ 88,320,756</u>	<u>\$ 8,116,483</u>

STATISTICAL

SECTION

(Unaudited)

Financial Trends

These schedules contain information to help the reader understand how the County's financial performance and well-being have changed over time. These schedules include:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

COUNTY OF ROCKLAND, NEW YORK

NET POSITION BY COMPONENT (Unaudited)
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013
Governmental Activities					
Net Investment in Capital Assets	\$ 413,765,675	\$ 401,818,749	\$ 394,449,480	\$ 406,255,827	\$ 399,882,283
Restricted	104,294,397	110,920,044	43,843,923	45,321,506	49,940,089
Unrestricted	<u>(194,874,505)</u>	<u>(246,969,186)</u>	<u>(253,469,660)</u>	<u>(309,810,964)</u>	<u>(348,423,940)</u>
Total Governmental Activities Net Position	<u>\$ 323,185,567</u>	<u>\$ 265,769,607</u>	<u>\$ 184,823,743</u>	<u>\$ 141,766,369</u>	<u>\$ 101,398,432</u>
Business-Type Activities					
Net Investment in Capital Assets	\$ 10,662,786	\$ 10,070,880	\$ 9,351,936	\$ 8,473,692	\$ 8,687,161
Unrestricted	<u>(130,614,169)</u>	<u>(158,571,478)</u>	<u>(182,883,734)</u>	<u>(212,117,133)</u>	<u>(231,117,846)</u>
Total Business-Type Activities Net Position	<u>\$ (119,951,383)</u>	<u>\$ (148,500,598)</u>	<u>\$ (173,531,798)</u>	<u>\$ (203,643,441)</u>	<u>\$ (222,430,685)</u>
Primary Government					
Net Investment in Capital Assets	\$ 424,428,461	\$ 411,889,629	\$ 403,801,416	\$ 414,729,519	\$ 408,569,444
Restricted	104,294,397	110,920,044	43,843,923	45,321,506	49,940,089
Unrestricted	<u>(325,488,674)</u>	<u>(405,540,664)</u>	<u>(436,353,394)</u>	<u>(521,928,097)</u>	<u>(579,541,786)</u>
Total Primary Government Net Position	<u>\$ 203,234,184</u>	<u>\$ 117,269,009</u>	<u>\$ 11,291,945</u>	<u>\$ (61,877,072)</u>	<u>\$ (121,032,253)</u>

(1) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 68 "Accounting and Financial Reporting for Pensions."

(2) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

2014	2015 (1)	2016	2017	2018 (2)
\$ 393,644,006	\$ 403,356,345	\$ 329,875,330	\$ 358,033,024	\$ 380,927,720
51,569,863	27,323,793	22,238,145	26,421,331	35,040,093
<u>(376,463,542)</u>	<u>(434,616,391)</u>	<u>(474,913,178)</u>	<u>(493,607,746)</u>	<u>(910,365,825)</u>
<u>\$ 68,750,327</u>	<u>\$ (3,936,253)</u>	<u>\$ (122,799,703)</u>	<u>\$ (109,153,391)</u>	<u>\$ (494,398,012)</u>
\$ 8,920,654	\$ 4,722,791	\$ -	\$ -	\$ -
<u>(239,106,491)</u>	<u>(185,678,087)</u>	<u>(79,449,044)</u>	<u>(81,267,902)</u>	<u>(83,353,861)</u>
<u>\$ (230,185,837)</u>	<u>\$ (180,955,296)</u>	<u>\$ (79,449,044)</u>	<u>\$ (81,267,902)</u>	<u>\$ (83,353,861)</u>
\$ 402,564,660	\$ 408,079,136	\$ 329,875,330	\$ 358,033,024	\$ 380,927,720
51,569,863	27,323,793	22,238,145	26,421,331	35,040,093
<u>(615,570,033)</u>	<u>(620,294,478)</u>	<u>(554,362,222)</u>	<u>(574,875,648)</u>	<u>(993,719,686)</u>
<u>\$ (161,435,510)</u>	<u>\$ (184,891,549)</u>	<u>\$ (202,248,747)</u>	<u>\$ (190,421,293)</u>	<u>\$ (577,751,873)</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET POSITION (Unaudited)
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013
Expenses					
Governmental Activities					
General government	\$ 65,817,442	\$ 65,578,858	\$ 66,978,200	\$ 75,339,999	\$ 82,857,557
Education	68,916,165	64,096,792	60,294,608	61,187,980	52,864,260
Public safety	70,550,166	78,884,977	82,354,581	80,067,023	84,798,097
Health	43,227,034	46,040,723	47,274,572	42,871,027	43,639,894
Transportation	52,323,652	55,073,427	53,254,863	51,440,827	51,611,960
Economic opportunity and development	180,334,640	182,610,808	181,264,332	180,315,323	183,124,815
Culture and recreation	896,680	973,087	1,185,479	790,039	912,444
Home and community services	34,575,699	35,091,249	38,698,119	30,494,470	30,527,243
Interest	14,110,025	13,768,045	15,746,647	17,284,497	17,885,215
Total Governmental Activities	530,751,503	542,117,966	547,051,401	539,791,185	548,221,485
Business-Type Activities					
Home and Infirmary Fund	108,938,933	112,706,758	104,940,810	101,631,745	91,199,289
Rockland Tobacco Asset Securitization Corporation	4,728,599	4,838,451	4,917,932	5,016,299	5,093,095
Rockland Second Tobacco Asset Securitization Corporation	482,028	477,562	449,743	429,710	404,125
Rockland County Health Facilities Corporation	-	-	-	-	-
	114,149,560	118,022,771	110,308,485	107,077,754	96,696,509
Total Primary Government Expenses	\$ 644,901,063	\$ 660,140,737	\$ 657,359,886	\$ 646,868,939	\$ 644,917,994
Program Revenues					
Governmental Activities					
Charges for Services					
General Government	\$ 16,075,012	\$ 8,049,813	\$ 10,638,502	\$ 12,812,341	\$ 12,820,733
Education	-	-	-	1,628,565	-
Public Safety	1,951,080	2,306,656	3,378,478	4,451,924	4,472,553
Health	4,010,535	4,279,322	2,943,275	2,636,827	9,486,387
Transportation	7,879,870	7,548,277	5,468,990	5,463,805	5,345,408
Economic opportunity and development	7,597,193	9,785,895	8,076,489	6,585,776	6,685,722
Home and Community Services	4,333,518	5,221,710	1,189,127	957,554	719,333
Operating Grants and Contributions	161,630,529	156,809,424	147,921,778	144,656,039	132,077,625
Capital Grants and Contributions	14,177,004	15,465,469	13,437,559	18,937,891	9,810,850
Total Governmental Activities	217,654,741	209,466,566	193,054,198	198,130,722	181,418,611
Business-type Activities					
Home and Infirmary Fund					
Charges for Services	89,041,990	87,266,807	81,357,297	73,658,002	61,277,422
Rockland Tobacco Asset Securitization Corporation					
Operating Grants and Contributions	4,234,771	3,377,533	3,385,346	3,014,014	3,428,387
Rockland Second Tobacco Asset Securitization Corporation					
Operating Grants and Contributions	1,027,653	829,216	792,968	744,095	809,285
Rockland County Health Facilities Corporation					
Charges for Services	-	-	-	-	-
Total Business-Type Activities	94,304,414	91,473,556	85,535,611	77,416,111	65,515,094
Total Primary Government Program Revenues	\$ 311,959,155	\$ 300,940,122	\$ 278,589,809	\$ 275,546,833	\$ 246,933,705

2014	2015 (1)	2016	2017	2018 (2)
\$ 77,839,214	\$ 80,792,042	\$ 100,787,584	\$ 89,872,406	\$ 83,288,088
51,721,701	53,847,271	56,142,327	58,413,123	57,413,805
77,170,283	75,595,088	92,396,592	85,761,711	80,715,918
40,344,309	40,874,395	56,674,745	50,459,489	50,628,463
50,904,715	51,626,951	59,415,474	51,900,294	51,367,303
180,280,563	174,740,290	178,556,781	162,773,574	154,568,419
913,144	709,525	1,069,966	752,071	480,638
34,985,229	50,758,774	43,390,235	37,263,161	37,292,654
18,469,266	18,228,712	17,939,810	16,719,029	15,426,058
532,628,424	547,173,048	606,373,514	553,914,858	531,181,346
83,560,915	79,597,912	-	-	-
5,211,270	5,334,140	6,123,438	5,569,405	5,764,832
370,008	354,797	290,086	254,036	235,970
-	-	134,036	155,966	132,170
89,142,193	85,286,849	6,547,560	5,979,407	6,132,972
\$ 621,770,617	\$ 632,459,897	\$ 612,921,074	\$ 559,894,265	\$ 537,314,318
\$ 11,695,975	\$ 12,535,866	\$ 13,586,109	\$ 14,020,496	\$ 16,638,689
-	-	-	-	-
4,302,156	4,592,496	1,841,464	1,770,588	4,098,852
4,867,009	5,150,443	19,377,435	5,227,151	3,319,055
5,131,667	5,252,383	8,135,384	8,015,052	7,602,519
6,541,038	6,256,511	6,091,890	5,389,196	5,498,823
972,469	918,756	25,890,982	24,163,621	22,622,644
126,723,569	131,859,545	127,591,118	129,567,597	129,929,926
13,541,036	14,090,985	18,968,235	7,172,124	17,617,587
173,774,919	180,656,985	221,482,617	195,325,825	207,328,095
67,685,420	62,431,545	-	-	-
4,020,290	5,750,776	3,360,085	3,234,464	3,146,963
969,985	1,402,235	828,309	762,580	759,263
586,889	417,940	127,569	163,505	140,787
73,262,584	70,002,496	4,315,963	4,160,549	4,047,013
\$ 247,037,503	\$ 250,659,481	\$ 225,798,580	\$ 199,486,374	\$ 211,375,108

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Continued)

	2009	2010	2011	2012	2013
Net (Expense)/Revenue					
Governmental Activities	\$ (313,096,762)	\$ (332,651,400)	\$ (353,997,203)	\$ (341,660,463)	\$ (366,802,874)
Business-Type Activities	(19,845,146)	(26,549,215)	(24,772,874)	(29,661,643)	(31,181,415)
Total Primary Government Net Expense	<u>\$ (332,941,908)</u>	<u>\$ (359,200,615)</u>	<u>\$ (378,770,077)</u>	<u>\$ (371,322,106)</u>	<u>\$ (397,984,289)</u>
General Revenues					
Governmental Activities					
Taxes					
Real Property Taxes	\$ 87,696,519	\$ 92,768,618	\$ 89,684,666	\$ 111,274,889	\$ 128,690,277
Other Tax Items	8,326,783	4,941,267	8,984,061	9,500,343	10,788,365
Sales Tax	162,439,750	169,152,688	169,265,205	169,581,358	178,737,484
Mortgage Tax	3,951,076	3,537,937	3,470,281	3,480,654	4,446,008
E-911 surcharge	-	-	-	-	-
Hotel/Motel Tax	-	-	-	968,837	1,199,830
Residential Energy Use Tax	-	-	-	2,077,687	8,677,106
Motor Vehicle Use Tax	-	-	-	112,279	1,665,480
Unrestricted Use of Money and Property	504,419	1,207,909	183,172	110,267	140,245
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Sale of Property and					
Compensation for Loss	53,969	456,659	121,310	57,512	63,834
Miscellaneous	10,290,708	1,170,362	1,084,318	989,263	696,087
Gain on Sale of Property	-	-	-	-	4,655,287
Transfers	-	2,000,000	258,326	450,000	(13,325,066)
Total Governmental Activities	<u>273,263,224</u>	<u>275,235,440</u>	<u>273,051,339</u>	<u>298,603,089</u>	<u>326,434,937</u>
Business-type activities					
Real Property Taxes	-	-	-	-	-
Transfers	-	(2,000,000)	(258,326)	(450,000)	13,325,066
Total Business-Type Activities	<u>-</u>	<u>(2,000,000)</u>	<u>(258,326)</u>	<u>(450,000)</u>	<u>13,325,066</u>
Total Primary Government					
General Revenues	<u>\$ 273,263,224</u>	<u>\$ 273,235,440</u>	<u>\$ 272,793,013</u>	<u>\$ 298,153,089</u>	<u>\$ 339,760,003</u>
Change in Net Position					
Governmental Activities	\$ (39,833,538)	\$ (57,415,960)	\$ (80,945,864)	\$ (43,057,374)	\$ (40,367,937)
Business-Type Activities	(19,845,146)	(28,549,215)	(25,031,200)	(30,111,643)	(17,856,349)
Total Primary Government					
Change in Net Position	<u>\$ (59,678,684)</u>	<u>\$ (85,965,175)</u>	<u>\$ (105,977,064)</u>	<u>\$ (73,169,017)</u>	<u>\$ (58,224,286)</u>

(1) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 68 "Accounting and Financial Reporting for Pensions"

(2) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

2014	2015 (1)	2016	2017	2018 (2)
\$ (358,853,505)	\$ (366,516,063)	\$ (384,890,897)	\$ (358,589,033)	\$ (323,853,251)
(15,879,609)	(15,284,353)	(2,231,597)	(1,818,858)	(2,085,959)
<u>\$ (374,733,114)</u>	<u>\$ (381,800,416)</u>	<u>\$ (387,122,494)</u>	<u>\$ (360,407,891)</u>	<u>\$ (325,939,210)</u>
\$ 139,848,206	\$ 142,433,272	\$ 131,211,789	\$ 132,833,513	\$ 134,510,665
11,395,607	13,048,472	12,745,729	13,197,289	12,788,074
184,165,811	188,622,788	198,017,776	199,115,739	208,573,520
3,433,302	4,396,527	5,197,772	5,199,083	5,127,751
-	-	1,279,522	1,311,551	-
1,331,881	1,412,392	1,502,377	1,486,320	1,421,823
9,946,569	9,346,358	8,287,928	9,078,819	10,400,137
1,697,495	1,760,305	1,763,321	1,801,887	1,842,960
323,132	304,746	3,306,048	1,704,694	3,501,833
-	-	1,664,002	1,845,288	1,345,609
-	-	1,336,011	1,563,842	1,198,829
174,238	68,792	308,362	92,893	211,390
435,523	467,691	3,144,659	3,004,427	2,080,600
-	-	-	-	-
(8,639,253)	(65,679,885)	(103,737,849)	-	-
<u>344,112,511</u>	<u>296,181,458</u>	<u>266,027,447</u>	<u>372,235,345</u>	<u>383,003,191</u>
-	-	-	-	-
8,639,253	65,679,885	103,737,849	-	-
<u>8,639,253</u>	<u>65,679,885</u>	<u>103,737,849</u>	<u>-</u>	<u>-</u>
<u>\$ 352,751,764</u>	<u>\$ 361,861,343</u>	<u>\$ 369,765,296</u>	<u>\$ 372,235,345</u>	<u>\$ 383,003,191</u>
\$ (14,740,994)	\$ (70,334,605)	\$ (118,863,450)	\$ 13,646,312	\$ 59,149,940
(7,240,356)	50,395,532	101,506,252	(1,818,858)	(2,085,959)
<u>\$ (21,981,350)</u>	<u>\$ (19,939,073)</u>	<u>\$ (17,357,198)</u>	<u>\$ 11,827,454</u>	<u>\$ 57,063,981</u>

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS (Unaudited)
LAST TEN FISCAL YEARS

	2009	2010	2011 (1)	2012	2013
General Fund					
Nonspendable	\$ -	\$ -	\$ 46,719,075	\$ 62,050,495	\$ 70,565,150
Restricted	-	-	16,617,145	15,815,039	17,437,659
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(96,514,297)	(127,253,007)	(138,114,028)
Reserved	51,006,383	48,086,001	-	-	-
Unreserved	(38,732,135)	(52,040,793)	-	-	-
Total General Fund	<u>\$ 12,274,248</u>	<u>\$ (3,954,792)</u>	<u>\$ (33,178,077)</u>	<u>\$ (49,387,473)</u>	<u>\$ (50,111,219)</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ 266,143	\$ -	\$ -
Restricted	-	-	20,085,391	30,183,443	37,199,852
Committed	-	-	1,100,575	1,193,725	1,001,999
Assigned	-	-	28,200,207	26,313,606	33,041,171
Unassigned	-	-	-	-	-
Reserved	7,760,958	11,849,335	-	-	-
Unreserved, Reported In:					
Special Revenue Funds	17,038,024	21,876,806	-	-	-
Capital Projects Fund	7,660,442	3,459,152	-	-	-
Debt Service Fund	6,800,000	5,760,000	-	-	-
Total All Other Governmental Funds	<u>\$ 39,259,424</u>	<u>\$ 42,945,293</u>	<u>\$ 49,652,316</u>	<u>\$ 57,690,774</u>	<u>\$ 71,243,022</u>
Total Governmental Funds	<u>\$ 51,533,672</u>	<u>\$ 38,990,501</u>	<u>\$ 16,474,239</u>	<u>\$ 8,303,301</u>	<u>\$ 21,131,803</u>

(1) - The County implemented The provisions of Government Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Government Fund Type Definitions", for the fiscal year ended December 31, 2011.

2014	2015	2016	2017	2018
\$ 74,219,583	\$ 15,549,450	\$ 14,066,334	\$ 14,776,092	\$ 8,161,617
16,807,128	10,669,056	7,689,546	6,283,811	5,634,352
-	-	-	-	-
-	-	-	5,485,610	6,262,030
(29,910,383)	(16,115,498)	(4,032,449)	6,257,861	32,294,051
-	-	-	-	-
-	-	-	-	-
<u>\$ 61,116,328</u>	<u>\$ 10,103,008</u>	<u>\$ 17,723,431</u>	<u>\$ 32,803,374</u>	<u>\$ 52,352,050</u>
\$	\$	\$ 600,900	\$ 680,410	\$ -
61,456,633	92,552,496	91,005,348	73,564,799	111,756,185
1,393,274	1,603,199	2,033,291	1,560,191	2,277,374
39,748,742	25,930,847	28,636,885	29,442,694	33,376,660
-	(361,038)	(475,227)	(13,020)	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 102,598,649</u>	<u>\$ 119,725,504</u>	<u>\$ 121,801,197</u>	<u>\$ 105,235,074</u>	<u>\$ 147,410,219</u>
<u>\$ 163,714,977</u>	<u>\$ 129,828,512</u>	<u>\$ 139,524,628</u>	<u>\$ 138,038,448</u>	<u>\$ 199,762,269</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (Unaudited)
LAST TEN FISCAL YEARS

	2009	2010	2011	2012	2013
Revenues					
Real Property Taxes	\$ 87,028,735	\$ 87,800,079	\$ 89,331,893	\$ 109,486,028	\$ 126,965,228
Other Tax Items	8,427,783	5,091,917	9,074,061	9,593,493	10,788,365
Non-Property Taxes	166,731,320	173,232,759	173,277,809	177,267,770	195,988,814
Departmental Income	36,307,225	32,200,999	30,918,923	30,521,098	37,316,181
Intergovernmental Charges	-	-	-	2,614,580	1,023,361
Use of Money and Property	2,495,692	2,420,254	615,595	487,067	431,307
Licenses and Permits	2,220,626	1,912,108	1,856,351	1,811,112	1,809,156
Fines and Forfeitures	1,138,392	905,750	903,400	934,792	867,128
Sale of Property and Compensation for Loss	68,687	517,546	162,849	81,096	252,138
Interfund Revenues	15,235,243	23,708,228	24,220,938	23,268,608	23,085,995
State Aid	96,469,342	81,400,046	86,660,293	84,743,470	69,570,589
Federal Aid	77,357,853	89,359,897	66,442,279	71,429,363	65,409,143
Miscellaneous	11,305,071	2,479,776	3,130,510	4,561,139	2,326,640
Total Revenues	504,785,969	501,029,359	486,594,901	516,799,616	535,834,045
Expenditures					
Current:					
General Government	59,499,136	63,793,645	61,594,915	64,209,911	68,405,934
Education	64,602,751	60,029,496	56,226,904	57,340,086	49,555,765
Public Safety	61,580,954	68,157,961	68,586,927	70,078,849	69,197,018
Health	39,419,209	41,393,398	41,010,199	39,792,305	38,475,566
Transportation	42,742,977	43,350,978	40,738,199	41,231,827	42,941,812
Economic Opportunity and Development	175,552,253	176,620,319	172,543,034	173,925,483	174,418,566
Culture and Recreation	598,820	510,699	525,845	391,837	374,492
Home and Community Services	22,714,338	23,557,043	25,826,025	22,781,787	21,919,024
Employee Benefits	11,600,192	13,167,104	14,672,488	15,146,136	15,861,323
Other	-	-	-	-	-
Debt Service:					
Principal	19,684,472	20,097,765	25,280,970	25,895,018	28,309,066
Interest	13,348,694	12,172,015	13,003,458	16,160,442	17,154,768
Refunding Bond Issuance Costs	329,477	409,034	-	-	70,804
Advance Refunding Escrow	-	-	-	-	-
Debt Issuance Costs	-	-	-	-	-
Capital Outlay	50,083,709	56,470,847	45,767,866	39,338,593	38,036,154
Total Expenditures	561,756,982	579,730,304	565,776,830	566,292,274	564,720,292
Deficiency of Revenues Over Expenditures	(56,971,013)	(78,700,945)	(79,181,929)	(49,492,658)	(28,886,247)
Other Financing Sources (Uses)					
Bonds Issued	2,900,000	56,045,142	53,625,003	40,122,000	45,632,482
Transfers In	19,140,422	62,941,820	55,651,759	58,334,685	57,179,807
Transfers Out	53,785,489	(60,941,820)	(55,393,433)	(57,884,685)	(70,504,873)
Refunding Bonds Issued	(53,785,489)	18,989,304	-	9,529,000	7,180,078
Issuance Premium	689,475	852,178	1,924,332	1,740,538	1,733,804
New York State loan proceeds	-	7,703,598	-	-	-
Payment to Refunded Bond Escrow Agent	(19,500,420)	(19,432,448)	-	(9,717,712)	(7,705,618)
Transfer from Home and Infirmary Fund	-	-	-	-	-
Total Other Financing Sources	3,229,477	66,157,774	55,863,561	42,123,826	41,714,749
Net Change in Fund Balances	\$ (53,741,536)	\$ (12,543,171)	\$ (23,318,368)	\$ (7,368,832)	\$ 12,828,502
Debt Service as a Percentage of Non-Capital Expenditures	6.4%	6.1%	7.5%	8.0%	8.7%

2014	2015	2016	2017	2018
\$ 139,338,204	\$ 140,561,063	\$ 130,341,630	\$ 133,523,897	\$ 132,883,188
11,395,607	13,048,472	12,745,729	13,197,289	12,788,074
201,860,652	206,822,773	216,048,696	217,993,399	227,366,191
31,468,037	32,118,930	74,923,264	58,586,104	59,780,582
1,072,736	1,035,054	-	-	-
616,799	565,372	3,302,309	1,703,302	3,501,459
2,003,655	1,873,261	1,664,002	1,845,288	1,345,609
707,307	1,039,995	1,336,011	1,563,842	1,198,829
175,991	183,862	308,362	92,893	211,390
23,225,051	24,173,627	25,898,396	27,042,612	29,297,593
70,696,278	75,165,570	79,673,316	79,004,635	80,903,399
63,947,808	61,472,854	66,886,037	57,132,787	66,137,185
2,791,941	6,229,931	3,144,659	2,407,427	1,489,601
549,300,066	564,290,764	616,272,411	594,093,475	616,903,100
67,804,182	68,204,599	84,220,831	80,091,454	73,521,358
47,785,490	50,230,399	51,223,270	54,820,250	54,395,253
68,542,504	70,150,846	76,601,762	80,083,980	83,663,196
37,880,303	39,447,490	50,729,442	49,690,796	52,968,634
43,138,853	42,892,881	42,474,353	44,276,461	44,679,708
173,547,009	172,664,771	167,738,322	161,145,344	160,114,618
374,778	376,888	314,425	278,593	170,457
23,285,082	38,863,535	23,565,030	24,513,598	25,362,524
16,330,661	16,852,008	18,400,799	19,563,128	20,728,715
-	-	-	-	7,564,914
29,197,947	34,934,786	49,683,714	46,701,858	42,298,904
16,059,559	21,765,176	18,976,820	18,405,473	17,129,168
424,008	1,129,081	411,291	-	-
1,327,903	569,498	798,609	-	-
-	-	-	-	872,897
45,891,033	39,974,450	43,285,025	21,199,158	28,652,838
571,589,312	598,056,408	628,423,693	600,770,093	612,123,184
(22,289,246)	(33,765,644)	(12,151,282)	(6,676,618)	4,779,916
159,177,997	68,477,000	20,280,382	-	53,620,000
61,111,024	77,820,703	86,850,437	80,959,137	78,091,040
(69,750,277)	(143,500,588)	(91,456,125)	(80,959,137)	(78,091,040)
39,874,197	71,008,578	26,130,000	-	-
15,595,967	3,128,062	3,319,064	597,000	3,323,902
-	-	-	-	-
(41,136,488)	(77,054,576)	(28,657,627)	-	-
-	-	5,381,266	-	-
164,872,420	(120,821)	21,847,397	597,000	56,943,902
\$ 142,583,174	\$ (33,886,465)	\$ 9,696,115	\$ (6,079,618)	\$ 61,723,818

8.8%

10.5%

11.9%

11.2%

10.1%

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax. These schedules include:

Tax Revenues by Source, Governmental Funds

Sales Tax Rates

Taxable Sales by Industry

Assessed Value and Estimated Actual Value of Taxable Property
Per \$1,000 of Assessed Valuation

County Property Tax Rates by Town
Per \$1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

COUNTY OF ROCKLAND, NEW YORK

**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (Unaudited)
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property Taxes	Non-Property Taxes			Total
		Sales Tax	911 Emergency Surcharge	Mortgage Tax	
2009	\$ 87,028,735	\$ 162,439,750	\$ 340,494	\$ 3,951,076	\$ 253,760,055
2010	87,800,079	169,152,688	542,134	3,537,937	261,032,838
2011	89,331,893	169,265,205	542,323	3,470,281	262,609,702
2012	109,486,028	169,581,359	1,046,955	3,480,654	283,594,996
2013	126,965,228	178,737,484	1,262,906	4,446,008	311,411,626
2014	139,338,204	184,165,811	1,285,593	3,443,302	328,232,910
2015	140,736,285	188,218,112	1,284,403	4,396,527	334,635,327
2016	130,341,630	198,017,776	1,279,522	5,197,772	334,836,700
2017	133,523,897	199,115,739	1,311,551	5,199,083	339,150,270
2018	132,883,188	208,573,520	-	5,127,751	346,584,459

COUNTY OF ROCKLAND, NEW YORK**SALES TAX RATES (Unaudited)
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
New York State *	4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
MTA (1) **	0.375	0.375	0.375	0.375	0.375
County *** ****	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>
Total	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>

(1) Metropolitan Transit Authority

* Effective June 1, 2003 - May 31, 2005 the New York State rate increased from 4% to 4 1/4%
Effective June 1, 2005 the New York State rate decreased from 4 1/4% to 4%.

** Effective June 1, 2005 the MTA rate increased from 1/4% to 3/8%

*** Effective March 1, 2002 the County rate increased from 3% to 3 5/8%, of which 1/8% of 1% was designated for towns and villages.

**** Effective March 01, 2007 the County rate increased from 3 5/8% to 4%, of which 3/16 of 1% was designated for towns and villages.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
0.375	0.375	0.375	0.375	0.375
<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>
<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>

COUNTY OF ROCKLAND, NEW YORK

TAXABLE SALES BY INDUSTRY (Unaudited)
TEN YEARS STATED

Industry	March 2007 to February 2008	March 2008 to February 2009	March 2009 to February 2010	March 2010 to February 2011	March 2011 to February 2012 (1)
Utilities (excluding residential energy)	\$ 163,002,000	\$ 158,344,000	\$ 157,587,000	\$ 140,446,000	\$ 126,439,000
Construction	81,720,000	75,289,000	74,296,000	72,087,000	77,996,000
Manufacturing	122,873,000	105,796,000	107,198,000	79,296,000	167,207,000
Wholesale Trade	392,869,000	347,945,000	347,851,000	334,822,000	184,216,000
Retail Trade:					
Motor Vehicles and Parts	468,920,000	427,901,000	427,817,000	437,861,000	430,674,000
Furniture and Home Furnishings	114,307,000	100,076,000	99,613,000	91,312,000	89,196,000
Electronics and Appliances	73,782,000	71,865,000	72,225,000	85,563,000	122,363,000
Building Materials and Garden Equipment	252,831,000	231,800,000	230,730,000	222,662,000	222,659,000
Food and Beverage	189,433,000	194,638,000	193,139,000	211,277,000	223,019,000
Health and Personal Care	52,273,000	54,192,000	54,036,000	56,677,000	53,859,000
Gasoline Stations	21,843,000	21,745,000	22,805,000	25,521,000	35,363,000
Clothing	80,359,000	76,804,000	77,200,000	156,555,000	137,264,000
Sporting Goods, Hobby, Book and Music Stores	84,213,000	76,362,000	78,101,000	78,003,000	67,458,000
General Merchandise	338,294,000	324,747,000	325,470,000	308,310,000	265,616,000
Miscellaneous Retail	108,855,000	101,345,000	101,311,000	98,445,000	151,270,000
Nonstore Retail	52,510,000	63,956,000	63,077,000	74,606,000	92,813,000
Information	305,344,000	284,761,000	286,566,000	298,896,000	247,583,000
Professional, Scientific, and Technical	59,139,000	61,944,000	61,510,000	47,884,000	51,984,000
Administrative/Support Services	111,610,000	115,593,000	117,114,000	117,815,000	117,690,000
Health Care	2,522,000	2,789,000	2,692,000	3,273,000	3,020,000
Arts, Entertainment, and Recreation	27,458,000	27,696,000	28,018,000	22,703,000	25,303,000
Accommodation and Food Services:					
Food Services	308,607,000	316,388,000	320,055,000	329,970,000	351,111,000
Accommodation	55,538,000	49,628,000	49,628,000	43,795,000	38,571,000
Other Services:					
Repair and Maintenance	94,239,000	95,020,000	96,470,000	99,037,000	139,343,000
Personal and Laundry Services	14,264,000	14,386,000	13,357,000	9,365,000	11,033,000
All Other Services	1,485,000	1,770,000	1,628,000	2,028,000	1,355,000
Ag., Mining, Trans., FIRE, Educ., Govt. RE	150,179,000	146,375,000	144,796,000	140,920,000	137,463,000
Unclassified by Industry	34,992,000	34,565,000	25,493,000	16,740,000	13,501,000
Grand Total	\$ 3,763,461,000	\$ 3,583,720,000	\$ 3,579,783,000	\$ 3,605,869,000	\$ 3,585,369,000

Source: New York State Department of Taxation and Finance

(1) Preliminary

	March 2012 to February 2013 (1)	March 2013 to February 2014 (1)	March 2014 to February 2015 (1)	March 2015 to February 2016 (1)	March 2016 to February 2017 (1)
\$	109,308,000	\$ 332,833,187	\$ 368,393,998	\$ \$340,176,101	\$ \$338,635,884
	80,423,000	97,755,671	96,281,562	105,413,249	106,598,847
	146,034,000	161,274,264	166,741,938	154,522,936	183,134,625
	184,063,000	244,849,962	255,586,300	278,491,317	270,151,690
	419,406,000	460,084,204	492,914,356	550,216,369	561,235,525
	87,407,000	90,764,722	95,011,608	95,646,427	101,351,855
	106,230,000	101,916,453	66,347,554	67,034,423	61,487,747
	223,683,000	233,512,028	235,558,445	243,441,865	248,332,380
	232,339,000	257,511,942	261,725,994	268,745,867	273,557,283
	54,827,000	59,342,211	63,170,203	67,059,878	69,907,591
	32,551,000	172,795,650	156,683,276	132,791,844	133,759,679
	92,659,000	309,356,848	312,791,042	323,383,342	331,048,830
	65,234,000	69,132,520	71,501,030	83,889,518	80,384,019
	267,095,000	398,946,155	399,778,968	389,310,153	392,838,112
	144,369,000	112,651,512	114,686,095	118,895,630	118,222,330
	85,826,000	133,607,973	132,057,424	137,699,642	156,656,176
	257,264,000	284,930,682	297,949,224	295,355,334	290,445,491
	67,951,000	74,399,623	136,940,187	127,896,031	148,976,759
	112,119,000	136,312,899	132,473,866	143,669,078	144,763,355
	2,869,000	3,275,960	3,868,444	2,248,312	2,774,733
	25,080,000	30,528,766	31,046,730	31,741,769	31,339,559
	364,954,000	387,099,142	412,698,916	436,600,163	453,361,545
	54,373,000	56,415,283	59,784,101	61,082,759	66,142,257
	150,262,000	150,154,892	157,249,845	131,018,754	152,892,102
	12,017,000	12,798,360	13,843,152	35,164,577	14,861,674
	1,914,000	2,294,822	2,010,629	2,034,323	131,605,899
	132,155,000	148,538,680	124,492,007	145,566,255	239,986,819
	2,595,000	10,607,247	17,186,440	28,585,687	3,566,313
<u>\$</u>	<u>3,515,007,000</u>	<u>\$ 4,533,691,658</u>	<u>\$ 4,678,773,334</u>	<u>\$ 4,797,681,603</u>	<u>\$ 5,108,019,079</u>

COUNTY OF ROCKLAND, NEW YORK**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
PER \$1,000 OF ASSESSED VALUATION (Unaudited)
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	Real Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value
	Residential Property	Commercial Property		
2009	\$ 10,772,710,984	\$ 5,647,856,442	\$ 1,636,309,661	\$ 14,784,257,765
2010	10,382,170,444	5,420,326,097	1,633,457,426	14,169,039,115
2011	10,353,021,141	5,392,238,666	1,639,692,384	14,105,567,423
2012	10,196,423,647	5,319,167,057	1,654,615,377	13,860,975,327
2013	10,000,314,618	5,216,019,671	1,669,260,505	13,547,073,784
2014	10,013,144,636	5,003,751,556	1,743,115,416	13,273,780,776
2015	10,019,564,077	4,968,028,441	1,737,186,924	13,250,405,594
2016	10,037,457,638	4,822,985,009	1,719,541,972	13,140,900,675
2017	10,076,278,185	4,775,421,679	1,701,527,875	13,150,171,989
2018	10,076,165,192	4,790,684,303	1,707,573,382	13,159,276,113

Source : Rockland County Real Property Tax Department

Note: Taxable assessed values are determined by the city and town governments located within the County. The estimated actual taxable values represent the weighted average State equalization rates established for each city and town within the County.

The total direct tax rate is calculated by the County tax levy divided by the total taxable assessed value multiplied by a thousand

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
3.997 %	\$ 43,318,941,021	34.13 %
4.289	41,710,339,760	33.97
4.374	38,236,489,073	36.89
5.848	38,245,682,561	36.24
7.086	36,615,123,723	37.00
7.983	36,265,356,221	36.60
8.149	35,216,017,356	37.63
9.030	35,922,686,810	36.58
9.126	37,628,860,485	34.95
9.298	39,493,165,022	33.32

COUNTY OF ROCKLAND, NEW YORK**COUNTY PROPERTY TAX RATES BY TOWN
PER \$1,000 OF ASSESSED VALUATION (Unaudited)
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Clarkstown</u>	<u>Haverstraw</u>	<u>Orangetown</u>	<u>Stony Point</u>	<u>Ramapo</u>
2009	\$ 5.267550	\$ 1.487	\$ 3.3264	\$ 11.2172	\$ 11.340
2010	5.363834	1.603	3.3103	12.3397	12.317
2011	6.978614	2.207	4.9810	15.2841	16.054
2012	8.257075	2.695	5.7660	18.4361	18.467
2013	9.184049	3.088	6.2895	20.5166	18.986
2014	9.336670	3.186	6.3297	20.6098	19.497
2015	10.268	3.309	7.1840	20.1465	23.856
2016	9.924	3.386	6.6510	20.6799	24.915
2017	9.737	3.428	6.8477	20.5448	26.119
2018	10.002	3.562	6.9776	20.2651	27.078

COUNTY OF ROCKLAND, NEW YORK**PRINCIPAL TAXPAYERS (Unaudited)
CURRENT YEAR AND NINE YEARS AGO**

2018			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Palisades Interstate Park	State Lands	\$ 918,396,518	2.33 %
Orange & Rockland Utilities	Public Utility	864,879,179	2.19
United Water	Public Utility	561,768,852	1.42
Pyramid/EKLECTRO Properties	Retail Shopping	442,273,924	1.12
Alogonquin Gas	Public Utility	262,132,645	0.66
American Cyanamid Corp. (Pfizer)	Pharmaceuticals	139,500,879	0.35
Pearl River Campus	Industrial	110,355,604	0.28
Con Edison	Public Utility	109,206,329	0.28
Spring Valley Water Company	Public Utility	95,652,664	0.24
The Retail Property	Retail Shopping	94,825,397	0.24
		<u>\$ 3,598,991,991</u>	<u>9.11 %</u>

Note: Total assessed valuation on the 2019 roll is \$39,493,165,022

2009			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Palisades Interstate Park	State Lands	\$ 1,052,994,452	2.43 %
Pyramid/EKLECTRO Properties	Retail Shopping	1,037,021,947	2.39
Wyeth-Ayerst Laboratories	Pharmaceuticals	920,346,464	2.12
Mirant	Public Utility	702,799,361	1.62
Orange & Rockland Utilities	Public Utility	584,454,161	1.35
United Water	Public Utility	424,835,917	0.98
Verizon	Public Utility	226,162,027	0.52
Consolidated Edison	Public Utility	176,072,499	0.41
Novartis Pharmaceuticals	Pharmaceuticals	123,846,245	0.29
Glorious Sun Roberts fka Blue Hill Community	Retirement Community	118,558,891	0.27
		<u>\$ 5,367,091,964</u>	<u>12.38 %</u>

Note: Total assessed valuation on the 2009 roll is \$43,318,941,021

Source: Rockland County Real Property Tax Office

COUNTY OF ROCKLAND, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS (Unaudited)
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for the Fiscal Year						
	County	Town Chargebacks (Deficiency) (2)	Local Special Districts	Relevied Schools	Relevied Villages	Towns	Late Penalties and fees
2009	\$ 59,100,000	\$ 1,367,704	\$ 45,737,352	\$ 23,585,657	\$ 2,520,442	\$ 253,650,648	\$ 8,149,546
2010	60,500,000	2,154,896	48,736,705	24,687,900	2,859,696	263,478,889	4,737,710
2011	61,700,000	2,154,896	48,736,690	24,687,900	2,859,696	273,693,972	9,536,186
2012	81,060,623	4,942,177	52,400,670	25,029,192	2,980,506	279,333,437	8,632,359
2013	96,000,000	3,530,977	55,557,615	25,164,473	2,725,140	297,661,098	9,470,285
2014	105,960,166	2,563,216	57,459,228	26,015,534	2,499,169	312,024,803	10,065,679
2015	107,978,376	1,420,067	58,233,195	28,041,272	2,984,171	317,558,228	10,923,368
2016	118,629,010	3,152,832	61,571,129	25,651,197	3,308,866	322,443,712	10,862,627
2017	120,015,000	-	60,302,041	26,046,712	3,201,910	331,707,231	10,864,528
2018	122,355,000	-	57,857,755	30,130,651	3,544,884	332,715,531	11,095,863

Note: Town receivers of taxes collect real property taxes for the town and county on a single tax bill. The respective town receivers distribute the collected tax money to the towns prior to distributing the balance collected to the county. The towns, thereby, are assured of full collections. On April 1st of each year, the town receivers turn over uncollected items to the County. The County satisfies the full amount of the unpaid school and village taxes by April 1st. Responsibility for the unpaid taxes rests with the County.

(1) Excludes relevied schools and village taxes

(2) In 2017, the Town chargebacks have been pulled out of the property tax calculation and are being billed as an ordinary chargeback during the year.

Collected within the Fiscal Year of Levy				Total Collections to Date	
Total (1)	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
\$ 368,005,250	\$ 343,864,852	93.44 %	\$ 9,121,466	\$ 352,986,318	95.92 %
379,608,200	354,481,303	93.38	6,025,449	360,506,752	94.97
395,821,744	367,357,941	92.81	9,099,305	376,457,246	95.11
426,369,266	397,974,491	93.34	6,659,581	404,634,072	94.90
462,219,975	430,631,166	93.17	8,270,685	438,901,851	94.96
488,073,092	459,558,389	94.16	4,579,189	464,137,578	95.10
496,113,234	467,289,050	94.19	8,177,491	475,466,541	95.84
516,659,310	482,740,681	93.44	8,586,366	491,327,047	95.10
522,888,800	493,640,178	94.41	10,889,537	504,529,715	96.49
524,024,149	490,348,614	93.57	13,787,284	504,135,898	96.20

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's outstanding debt and the County's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Ratios of Net General Bonded Debt Outstanding

Direct and Underlying Governmental Activities Debt

Legal Debt Margin Information

COUNTY OF ROCKLAND, NEW YORK

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-Type Activities	
	General Obligation Bonds	Installment Payable	Bond Anticipation Notes Payable	General Obligation Bonds	Tobacco Securitization Bonds (1)
2009	\$ 292,501,813	\$ -	\$ 2,900,000	\$ 13,874,183	\$ 83,771,691
2010	331,510,505	3,786,261	-	13,948,638	84,527,722
2011	359,239,248	3,389,459	-	12,489,758	85,334,971
2012	372,814,732	2,995,269	-	12,179,274	86,499,760
2013	389,009,453	2,597,879	-	17,519,029	87,786,997
2014	534,257,206	2,197,033	-	15,753,616	87,547,616
2015	567,661,806	1,789,886	-	15,729,116	89,040,501
2016 (2)	559,616,467	1,380,902	-	-	89,386,071
2017	510,610,155	971,292	-	-	90,866,954
2018	508,098,000	558,858	-	-	92,137,921

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics.

(2) - In 2016, the County determined the Hospital Fund was no longer operating as an enterprise fund. Therefore, the Hospital Fund was closed and transferred to the General Fund.

Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ 393,047,687	2.33 %	\$ 1,309.40
433,773,126	2.47	1,391.69
460,453,436	2.81	1,461.02
474,489,035	2.78	1,493.24
496,913,358	2.75	1,548.48
639,755,471	3.49	1,975.37
674,221,309	3.58	2,067.93
650,383,440	3.62	1,990.28
602,448,401	3.31	1,831.89
600,794,779	3.14	1,844.65

COUNTY OF ROCKLAND, NEW YORK

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING (Unaudited)
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Personal Income (1)	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (1)
<u>Governmental Activities:</u>						
2009	\$ 292,501,813	\$ 9,839,189	\$ 282,662,624	1.67 %	0.65 %	\$ 941.67
2010	331,510,505	14,566,426	316,944,079	1.81	0.76	1,016.87
2011	359,239,248	12,621,169	346,618,079	2.11	0.91	1,099.82
2012	372,814,732	13,204,818	359,609,914	2.10	0.94	1,131.71
2013	389,009,453	13,085,153	375,924,300	2.08	1.03	1,171.46
2014	534,257,206	15,668,252	518,588,954	2.83	1.43	1,601.25
2015	567,139,998	9,113,649	558,026,349	2.97	1.58	1,711.54
2016	542,707,879	13,407,158	529,300,721	2.94	1.47	1,619.75
2017	397,422,879	13,704,413	383,718,466	2.11	1.02	1,166.79
2018	423,298,000	24,487,152	398,810,848	2.09	1.01	1,224.49
<u>Business-Type Activities:</u>						
2009	13,874,183	-	13,874,183	0.08	0.03	46.22
2010	13,948,638	-	13,948,638	0.08	0.03	44.75
2011	12,489,756	-	12,489,756	0.08	0.03	39.63
2012	12,179,274	-	12,179,274	0.07	0.03	38.33
2013	17,519,029	-	17,519,029	0.10	0.05	54.59
2014	15,753,616	-	15,753,616	0.09	0.04	48.64
2015	15,729,116	-	15,729,116	0.08	0.04	48.24
2016 (3)	-	-	-	0.00	0.00	-
2017	-	-	-	0.00	0.00	-
2018	-	-	-	0.00	0.00	-
<u>Total Primary Government:</u>						
2009	306,375,996	9,839,189	296,536,807	1.75	0.68	987.89
2010	345,459,143	14,566,426	330,892,717	1.89	0.79	1,061.62
2011	371,729,004	12,621,169	359,107,835	2.19	0.94	1,139.45
2012	384,994,006	13,204,818	371,789,188	2.18	0.97	1,170.04
2013	406,528,482	13,085,153	393,443,329	2.18	1.07	1,226.05
2014	550,010,822	15,668,252	534,342,570	2.91	1.47	1,649.89
2015	582,869,114	9,113,649	573,755,465	3.05	1.63	1,759.79
2016	542,707,879	13,407,158	529,300,721	2.94	1.47	1,619.75
2017	397,422,879	13,704,413	383,718,466	2.11	1.02	1,166.79
2018	423,298,000	24,487,152	398,810,848	2.09	1.01	1,224.49

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics

(2) - Based on values presented in the schedule of assessed value and estimated actual value of taxable property

(3) - In 2016, the County determined the Hospital Fund was no longer operating as an enterprise fund. Therefore, the Hospital Fund was closed and transferred to the General Fund.

COUNTY OF ROCKLAND, NEW YORK

**DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT (Unaudited)
DECEMBER 31, 2018**

Governmental Unit	Gross Long-Term Debt (1)	Less Exclusions (2)	Amount Applicable to County (3)
Towns (five)	\$ 226,931,914	\$ 1,050,234	\$ 225,881,680
Villages (nineteen)	58,802,782	2,981,108	55,821,674
School Districts (eight)	379,842,677	2,666,431	377,176,246
Fire Districts (twenty-one)	29,400,000	-	29,400,000
Subtotal, Underlying Debt	694,977,373	6,697,773	688,279,600
Direct Bonded Debt of the County	508,656,858	24,487,152	484,169,706
Direct and Overlapping Debt	<u>\$ 1,203,634,231</u>	<u>\$ 31,184,925</u>	<u>\$ 1,172,449,306</u>

(1) Excludes enterprise fund bonds.

(2) Exclusions for the County represents funds available for debt service repayments.

(3) County percentage is 100% since all of the above municipalities and School Districts fall within the boundaries of the County.

Sources - Outstanding debt provided by New York State Office of the State Comptroller ("OSC").

Figures shown are based upon data reported to OSC.

Debt data may be missing for local governments that did not file annual financial reports by the snapshot date of 5/31/2019. As of that date, data was not available for the following municipalities:

Town	Ramapo
Village	Piermont
Village	Spring Valley
Fire District	Congers
Fire District	Monsey
Fire District	Nyack Joint
Fire District	Orangeburg
Fire District	Rockland Lake
Fire District	South Spring Valley
Fire District	Spring Valley No. 1
Fire District	Tappan
Fire District	Thiells-Roseville
Fire District	West Spring Valley

COUNTY OF ROCKLAND, NEW YORK

LEGAL DEBT MARGIN INFORMATION (Unaudited)
LAST TEN FISCAL YEARS

	2009	2010	2011
Debt Limit	\$ 2,869,344	\$ 2,979,424	\$ 2,988,989
Total Net Debt Applicable to Limit	205,161	179,210	179,210
Legal Debt Margin	<u>\$ 2,664,183</u>	<u>\$ 2,800,214</u>	<u>\$ 2,809,779</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	7.15%	6.01%	6.00%

Legal Debt Margin Calculation for Fiscal Year 2018

Five Year Average Full Valuation of Taxable Real Property	\$ 39,493,165,022
Debt Limit - 7% of Average Full Valuation	<u>2,764,522</u>
Outstanding Indebtedness - Serial bonds (1) Bond Anticipation Notes	488,302 -
Less Exclusions:	
Debt Service Appropriations for Bonds	\$ 25,483
Exempt Sewer District Debt	<u>193,692</u>
	<u>219,175</u>
Total Net Indebtedness	269,127
Net Debt Contracting Margin	<u>\$ 2,495,395</u>
Percentage of Debt Contracting Margin Available as of December 31, 2018	90.26%
Percentage of Debt Contracting Power Exhausted as of December 31, 2018	9.74%

Note - Amounts expressed in thousands

(1) - Excludes serial bonds for the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation

State Finance Law limits the County's outstanding net general obligation long-term debt to no more than 7% of the five year average full valuation of taxable real property. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

2012	2013	2014	2015	2016	2017	2018
\$ 2,925,248	\$ 2,776,945	\$ 2,674,437	\$ 2,598,195	\$ 2,518,979	\$ 2,634,020	\$ 2,764,522
232,297	242,171	343,839	328,981	316,757	288,591	269,127
<u>\$ 2,692,951</u>	<u>\$ 2,534,774</u>	<u>\$ 2,330,598</u>	<u>\$ 2,269,214</u>	<u>\$ 2,202,222</u>	<u>\$ 2,345,429</u>	<u>\$ 2,495,395</u>
7.94%	8.72%	12.86%	12.66%	12.57%	10.96%	9.74%

Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. This schedule includes:

Demographic and Economic Statistics

COUNTY OF ROCKLAND, NEW YORK

**DEMOGRAPHIC AND ECONOMIC STATISTICS (Unaudited)
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (amounts expressed in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (3)</u>	<u>Percent High School Graduate or Higher (3)</u>	<u>K-12 School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2009	300,173	\$ 16,903,342	\$ 56,312	37.7	90.8 %	41,102	7.0
2010	311,687	17,551,718	56,312	37.7	90.8	41,162	7.1
2011	315,158	16,397,671	52,030	36.7	87.3	41,089	6.5
2012	317,757	17,091,196	53,787	36.6	87.9	43,218	6.7
2013	320,903	18,044,376	56,230	36.6	87.9	40,279	6.3
2014	323,866	18,349,276	56,657	36.4	87.5	40,121	5.1
2015	326,037	18,813,965	57,705	35.0	87.3	39,931	4.5
2016	326,780	17,976,821	55,012	36.7	87.3	39,345	4.5
2017	328,868	18,221,589	55,407	36.5	87.3	39,237	4.4
2018	325,695	19,118,222	58,133	36.2	87.3	39,438	3.7

(1) U.S. Census Bureau, Annual Population Estimates, Population Division

(2) U.S. Department of Commerce, Bureau of Economic Analysis

(3) U.S. Census Bureau, American Community Survey; U.S. Census Bureau, 2010 Census, Summary File 4

(4) New York State Education Department, New York State District Report Card Comprehensive Information Report

(5) New York State Department of Labor, Local Area Unemployment Statistics

Operating Information

These schedules contain serve and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. These schedules include:

Principal Employers

Full-Time Equivalent County Government Employees by Function

Operating Indicators by Function

Capital Asset Statistics by Function

COUNTY OF ROCKLAND, NEW YORK

**PRINCIPAL EMPLOYERS (Unaudited)
CURRENT YEAR AND NINE YEARS AGO**

EMPLOYER	2018		2009	
	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Active International	390	0.31 %	360	0.33 %
Aide Services, Inc.	600	0.48	-	-
Aluf Plastics, A Div of of API	401	0.32	-	-
ARC of Rockland	715	0.57	648	0.59
AT & T Healthcare	800	0.64	750	0.68
Avon Products, Inc.	268	0.21	332	0.30
Barr Laboratories	-	-	415	0.38
Better Homes and Gardens Rand Realty	350	0.28	-	-
Bon Secours Good Samaritan Hospital	1,751	1.40	2,100	1.92
Brega Transport Corp.	330	0.26	-	-
Camp Venture, Inc	680	0.54	600	0.55
Chestnut Ridge Transportation	531	0.43	600	0.55
Chromalloy New York	315	0.25	440	0.40
Community Home Health & Aide Svc, Inc.	560	0.45	-	-
Crestron Electronics, Inc.	-	-	-	-
Friedwald Center for Rehab & Nursing	384	0.31	-	-
Hamapik of Rockland County, Inc.	1,993	1.60	-	-
Helen Hayes Hospital	891	0.71	861	0.79
Hudson Valley Dev. Disabilities Svcs	523	0.42	-	-
Intercos America, Inc.	425	0.34	-	-
Jawonio, Inc.	1,100	0.88	806	0.74
Lamont- Doherty Earth Observatory	560	0.45	480	0.44
Manhattan Beer Distributors, LLC	280	0.22	-	-
Nathan S. Kline Inst for Psy Research	350	0.28	-	-
Nice-Pak / PDI	753	0.60	815	0.74
Northern Services Group	832	0.67	1,100	1.00
Novartis Pharmaceuticals Corp	-	-	425	0.39
Nyack Hospital	1,850	1.48	1,500	1.37
Orange and Rockland Utilities	817	0.65	766	0.70
Par Pharmaceutical, Inc.	591	0.47	-	-
PDI	768	0.61	-	-
Pfizer, Inc.	800	0.64	-	-
Prudential Rand Realty	310	0.25	-	-
Raymour & Flanigan	415	0.33	-	-
Rockland Bakery	400	0.32	396	0.36
Rockland Psychiatric Center	1,219	0.98	-	-
St. Dominic's Home	820	0.66	399	0.36
The Dress Barn	-	-	350	0.32
Tilcon New York, Inc.	189	0.15	338	0.31
U.S. Information Systems, Inc.	250	0	375	0.34
Verizon Wireless	850	0.68	1,000	0.91
Wyeth-Ayerst Laboratories	-	-	2,450	2.24
	<u>25,061</u>	<u>20.06 %</u>	<u>18,306</u>	<u>16.70 %</u>

Source: Rockland County Planning Department and
Rockland Economic Development Corporation

COUNTY OF ROCKLAND, NEW YORK

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government	574	336	600	480	471	473	466	450	421	430
Public Safety	370	374	356	343	366	376	375	409	410	416
Health	954	948	908	812	707	656	548	198	209	205
Transportation	125	298	118	118	115	116	116	117	118	118
Economic Opportunity and Development	500	496	474	444	424	424	398	408	409	409
Culture and Recreation	1	1	1	1	1	1	1	1	1	1
Home and Community Services	131	132	128	125	117	117	118	120	123	128
Total	<u>2,655</u>	<u>2,585</u>	<u>2,585</u>	<u>2,323</u>	<u>2,201</u>	<u>2,163</u>	<u>2,022</u>	<u>1,703</u>	<u>1,691</u>	<u>1,707</u>

Source - Rockland County Budget Department

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

Function:	2009	2010	2011	2012	2013
General Government (1):					
Motor Vehicles					
Number of drivers' licenses issued	205,880	204,672	203,819	204,531	207,459
Number of vehicle registrations	210,205	210,957	211,312	213,166	214,264
Public Safety (2):					
Emergency Services					
Number of calls at 911 center	388,309	304,194	306,546	370,114	365,126
Corrections (2)					
Number of inmates	3,123	3,083	3,219	2,972	2,844
Transportation (2):					
Paving (Sq. yards)	53,232	55,591	45,220	-	180,017
Sealing- Microseal (Sq. yards)	87,342	126,727	105,968	95,542	149,332
Sealing- Chipseal (Sq. yards)	76,306	120,232	76,491	73,122	203,385
Ridership on public buses	3,675,390	3,534,225	3,405,632	3,320,589	3,178,084
Home and Community Services (2):					
Number of Metered Accounts	72,966	73,364	73,394	75,146	75,177
Miles of Mains	1,041	1,046	1,049	1,053	1,051
Average daily sewage treatment (thousands of gallons)	28,442,011	29,830,136	29,119,833	28,275,588	28,269,480
Summit Park Nursing Care Center (2) -					
Number of beds occupied	336	322	306	289	253
Summit Park NCC- closed 12/31/15					

N/A - Information not available

(1) Source: Department of Motor Vehicles

(2) Source: Rockland County Budget and individual County departments

2014	2015	2016	2017	2018
211,575	212,216	218,609	219,359	N/A
216,192	218,941	220,834	221,140	N/A
313,901	296,416	313,026	330,923	N/A
2,558	2,460	2,427	2,279	2,059
12,000	150,175	128,494	77,877	65,629
137,342	81,201	93,172	70,343	97,008
145,268	84,674	134,676	127,921	88,853
2,942,940	2,701,601	2,534,101	2,362,533	2,046,349
75,339	75,423	N/A	N/A	N/A
1,056	1,059	N/A	N/A	N/A
28,572,457	28,591,653	N/A	N/A	N/A
228	-	-	-	-

COUNTY OF ROCKLAND, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION (Unaudited)
LAST TEN FISCAL YEARS

Function	2009	2010	2011	2012	2013
General Government:					
Construction Permit Data- New Residential					
Number of Permits Issued	82	117	136	106	167
Estimated Value	\$ 36,601,485	\$ 48,907,870	\$ 39,854,614	\$ 38,382,672	\$ 53,807,151
Buildings	7	7	7	7	5
Vehicles	125	126	128	137	134
Education :					
Buildings	10	10	10	10	10
Vehicles					
Public Safety:					
Buildings	8	8	8	8	8
Vehicles	159	159	165	167	205
Number of Fire and Rescue Companies	42	42	42	42	42
Number of Firehouses	51	51	51	51	51
Number of Members	2,344	2,346	2,349	2,279	2,225
Health:					
Buildings	16	16	16	16	16
Vehicles	107	110	112	50	52
Transportation:					
Buildings	2	2	2	2	2
Vehicles	262	263	265	162	167
Culture and Recreation:					
County Parks\ Open Space (acreage)	3,094	3,179	3,179	3,179	3,179
Number of County Parks\ Open Space	25	27	27	27	27
Vehicles	17	17	15	14	14

Source - Various County departments

N/A - Information not available

2014	2015	2016	2017	2018
179	222	167	185	174
\$ 71,481,454	\$ 81,972,203	\$ 56,965,711	\$ 103,434,004	\$ 81,753,404
5	5	5	5	5
142	148	153	161	157
10	10	10	10	10
			16	16
8	8	8	8	8
237	229	230	229	226
42	42	42	42	42
51	51	51	51	51
2,196	2,185	2,189	2,242	2,166
16	16	16	16	16
33	28	31	38	41
2	2	1	1	1
158	163	165	167	169
3,179	3,179	3,179	3,179	3,179
27	27	27	27	27
16	12	14	14	14